The Financial Post

The Canadian Newspaper for Businessmen and Investors

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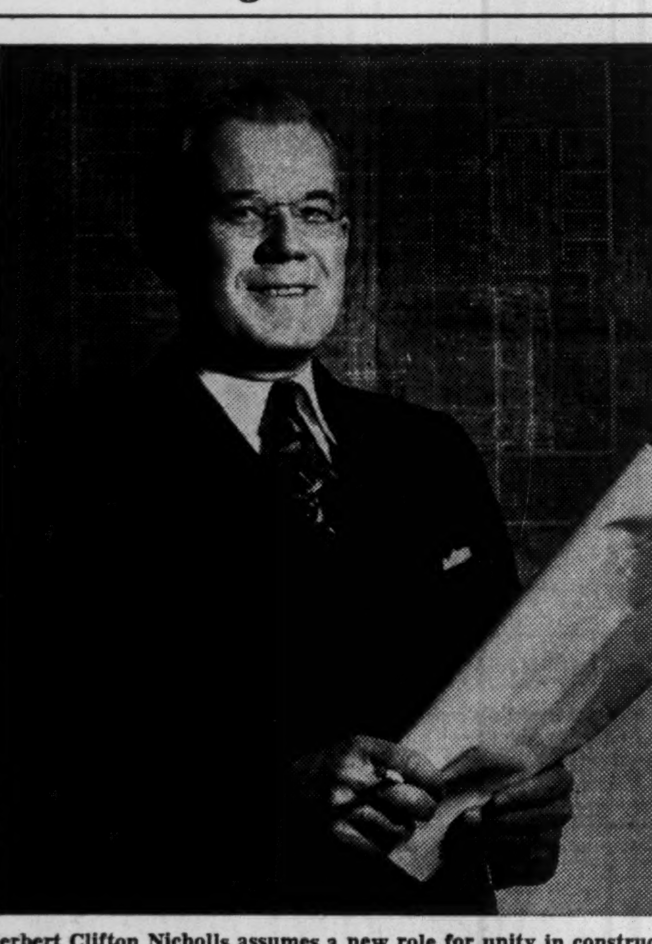
Building's Front Man



Herbert Clifton Nicholls assumes a new role for unity in construction industry affairs as he moves into presidency of that industry's broad federation of ten national associations, the 14-year-old National Construction Council of Canada. The industry's planners, its contractors, suppliers and workers today are striding into a $4 billion five-year construction program, biggest in Canada's history. It will be the Council's and Mr. Nicholls' nationally important job to keep them striding as one.

THE NATION'S BUSINESS

Taxation But No Representation

The fruits of victory make a heady wine.

That seems to be the basic reason for the soaring demands being made by principals in this latest wave of strikes that is making itself felt both in Canada and the United States.

In Washington, John L. Lewis is demanding a levy of 7% of the payroll of all U. S. soft coal mines, to create an employees' "welfare fund." He wants the 7% to be taken, not from the payroll that goes into the miners' pockets, but to be levied on the operators themselves. What it means is a 7% increase in the payroll—an added cost which will be passed on to the consumer; in other words, a tax on coal which every user must pay. Battles have been fought in the past on the principle of "no taxation without representation," but this levy, if granted, would mean exactly that. Coal consumers would have no recourse. If a government levied an unpopular or unnecessary tax, it could be thrown out of office, but coal consumers have no vote in the United Mineworkers union.

Here, in Canada, the International Union of Mine, Mill and Smelter Workers has called a strike at the Anaconda American Brass Co. Bernard Doherty, international union representative, has given the blunt warning that "trouble will develop" if office workers are called into the strike-bound plant. Mr. Doherty and his union associates have no control whatever over office workers of the plant, but they are taking their cue from the successful defiance of authority made in Windsor by the United Automobile Workers last winter.

The United Rubber Workers of America are planning to call a strike in Canadian rubber plants next week. Some of the plants have contracts with their employees still in force and the contracts contain no-strike clauses. There is a law prohibiting strikes under these circumstances, but the union has announced it will ignore that law.

When labor union heads become dictators, taxing whole nations, defying law as it suits them and intimidating groups of employees who are not associated with them, their activities cannot longer go unchecked; their work is no longer in the interest of their members nor of workers generally.

Only two things can come of this attitude. Either this form of dictatorship is going to engulf a whole continent or the people themselves are going to grow tired of being pushed around by a handful of demagogues and rise up to defend the rights their governments do not see fit to defend for them. Either alternative is unpleasant to think of, but unless firm action is taken soon, one or the other is bound to come.

• • •

Supreme Court Should Be Careful

We reiterate a point made here in the issue of May 4 in which we said, "The Supreme Court should be careful." We were commenting on its refusal to hear an appeal. Andrew O. Hebb, newspaper publisher, had lost his case in the lower courts against William P. Mulock, onetime postmaster-general. Hebb wanted a Supreme Court review. He was refused.

The Financial Post editorial on this matter got discussion in the House of Commons the past week. Mr. Diefenbaker asked the Minister of Justice for a statement "so that any suggestion of bias, prejudice or the suspicion of the likelihood of there being any in the Supreme Court will be removed."

Mr. St. Laurent replied. He gave good reasons why the Supreme Court had been obliged to hear an appeal on a case involving $200 and 16 horses which had somehow lost their tails between Saskatchewan and Montreal.

The Justice Minister said the Supreme Court was not obliged to hear the Hebb appeal; that litigant Hebb had appealed to the Supreme Court, "as a matter of right," from the "unanimous confirmation by the the Court of Appeal of Ontario of a judgment in the Ontario trial court." Mr. St. Laurent told the House that on such a case there was no appeal to the Supreme Court as of right, and that the court had so declared.

The statutes require the Supreme Court to hear all appeals involving more than $2,000. In this case the court ruled that what was really at issue was not the $2,500 of stock involved, but control of the company "an intangible" said the Supreme Court "which cannot be valued.

The whole point of The Financial Post's editorial was that the man in the street would not grasp such fine legal technicalities; that to avoid the possibility of wrong impressions on the public's part the court, somehow or other, should have heard the case.

With Mr. St. Laurent, we are in entire agreement that "It is most unfortunate that because of the names of persons involved in the litigation there should be any suggestion that their present or former positions in society or politics could have anything to do with the result."

We think Mr. St. Laurent might have quoted one more sentence from our editorial. We said then and now reiterate: "We are sure there is no justification for any such suspicion, but the craziest rumors get into circulation. The Supreme Court should have heard this case even if it had to sit up at night to do so."

To lawyer St. Laurent, to lawyers in the House of Commons and outside it, the Supreme Court's refusal to hear this case may be entirely satisfactory and in no way worthy of notice.

But the reputation and standing of the Supreme Court depends not just on what lawyers think of it but also on the extent to which it wins and holds respect and confidence in the minds and hearts of the whole Canadian people.

PlanChange InInsurance of Jobless

Labor Minister to Be Responsible For Administration — Wider Allowances Forecast

OTTAWA (Staff)—Complete overhaul and revision of the Unemployment Insurance Act is contained in a voluminous document now before the Senate. Major changes are:

1. A widening of the interpretation of "dependent" to include all cases where the recipient of benefits under the Act maintains a child or wholly dependent relative in a self-contained domestic establishment.
2. An increase in subsidiary earnings permitted, of from $1 to $1.50 per day.
3. Calculation in future of the daily benefit rate to the nearest five cents.
4. Employers will be required to notify the commission of all hirings, dismissals, resignations, etc., both real and anticipated.
5. Requiring all persons seeking employment to notify the Employment Service.
6. Making administration of the Employment Service directly responsible to the Minister of Labor although leaving the commission the responsibility of organizing and maintaining such service.
7. Transfer of sections of the Veterans' Rehabilitation Act dealing with unemployment insurance, to the commission.

Most contentious and far-reaching of these amendments is probably the decision to return national employment service to the commission but make administration of the service the direct responsibility of the Minister. During the war, the government dismembered the commission and placed the national employment service (Selective Service as it was then called) directly under the Department of Labor.

Argument in favor of the pending change is that National Employment Service can and will be used for administration of matters not strictly within the formal definition of services required to administer the Unemployment Insurance Act. Argument against it will be that such a plan opens the way for "departmental" or "political" interference in the administration of what was set up purposely as a completely independent organization.

It is understood the Government has approved nomination of George W. Ritchie, Toronto, as employers' representative on the Unemployment Insurance Commission. President of Ritchie Cut Stone Co., he has been Ontario Regional Director of National Selective Service.

This commissionership has been vacant following retirement of Allan M. Mitchell, Montreal. The labor vacancy was filled recently by reappointment of R. J. Tallon, whose term had expired.

Picao to Clear World Airlanes

MONTREAL—Delegates from 44 nations were expected here this week. to attend the second gathering of PICAO—the Provisional International Civil Aviation Organization, which aims at streamlining aviation regulations between its member nations. Slated for consideration, were a multilateral agreement on commercial rights in international air transport, and simplification of border formalities.

Reviewing the progress of the organization since its formation in Chicago 18 months ago, Edward Warner, president of the interim council, stated:

"International standards for safe and speedy flight between nations have been drawn up. To bring these PICAO standards into force and to organize international air routes, the Organization has held two regional meetings: in Dublin, Ireland, for the North Atlantic region, and in Paris for the European-Mediterranean region. Meetings for other regions will follow, and these regions in turn will be linked in a globe-girdling system of uniform PICAO flying procedures and standards.

"Many invaluable facilities and services operated by the military transport commands during the war should be kept in operation through PICAO action. One such case is the weather ships operated in the North Atlantic during the war by the Allied Governments. If PICAO's present efforts succeed these vessels will become a permanent link in the system of air navigation aids directing and protecting air traffic across this turbulent stretch of water.

Canada's delegation, headed by Reconstruction Minister C. D. Howe, included also Transport Minister Lionel Chevrier; R. A. C. Henry, chairman of the Air Transport Board; H. J. Symington, president of Trans-Canada Air Lines, and Anson C. McKim, Canadian representative on the council of PICAO.

Competitive Bids Sought For Montreal Refunding

By ARTHUR STYLES

MONTREAL (Staff) — Montreal City Executive Chairman J. O. Asselin, advises The Financial Post that plans have been finalized to issue concurrently the third week of June $85.4 millions of U.S.-pay Montreal refunding bonds and $122 millions Canadian-pay bonds on a competitive bid, installment basis.

Financial circles were surprised to learn that competitive bids would be requested on the Canadian-pay issue, asked from where the competitive bids are to come. There does not appear to be more than one Canadian syndicate likely to bid unless U.S. dealers are preparing to bid for the internal pay issue.

Four New York syndicates have already been formed and will bid for the U.S. issue, Mr. Asselin said. They are: Harriman Ripley & Co., Glore, Forgan & Co., Blyth & Co., and Halsey, Stuart & Co. Otis & Co., through whose suggestion competitive bidding was first brought up, will be part of the Halsey, Stuart group.

Should the first installments of $21 millions in the United States, and $35 millions in Canada be successful, additional bonds will be offered earlier than was anticipated originally, Mr. Asselin said.

Higher Rates For Jobless Are Forecast

OTTAWA—Substantial increase in unemployment insurance benefits affecting at least 60% of all insured persons has been officially recommended to the Government. Subject to public hearings in mid-June, it is expected that the recommendations will be adopted. Chief changes follow:

1. Creation of a new class 8 in the fund. This would raise the present weekly wage limit from $1.26 to $1.34. Married men with dependents in this new class would receive $18.30, an increase of 27% over the present "top" of $14.10. The rate of contribution in this new class would be 42 cents weekly for both employer and employee. The new benefits would come into effect gradually as the higher contributions "earn" the larger credit.

2. Small increases in benefits for classes 7 and 6 in the fund. This increase will be approximately $1.20 for married men with dependents, thus raising the present "top" from $14.40 to $15.60. In class 6 the increase will be about 80 cents a week for married persons with dependents. There will be no increase in contributions in these classes.

3. Employers' contributions are to be readjusted to make them equal to those of employees. In the past, employers have been paying less than half. In 1945 employers fell behind about 8.5%. Cumulative lag since 1941 is about $23 millions. The new rates will add about 6% to employer contributions or approximately $4 millions annually. Under the new plan employers would pay 36 cents a week in class 7 instead of 27 cents as now.

It is expected that about 30% of all insured workers in Canada will be in the new class 8.

No Job Insurance Pay For Strikers

OTTAWA (Staff) — Workers who go on strike in Canada are not eligible for unemployment insurance. This principle has been clearly established and adhered to since insurance benefits were first instituted in 1941. (In Pennsylvania and other states, strikers can claim unemployment insurance after approximately four weeks of idleness.)

In Canada, anyone directly or indirectly connected with a strike or any worker in the same "group" as those who are on strike is ineligible.

Thus in Canada, a strike among CCL machinists which involves Trades & Labor union machinists as well, even though the latter do not actually strike, removes the entire group from benefits. Only those forced out of work by reason of a strike, but not directly or indirectly involved are eligible in Canada for benefits under unemployment insurance.

Scully to Fill Research Post

OTTAWA (Staff)—V. W. (Bill) Scully is to be new vice-president and chief administrative officer of National Research Council, under legislation now before the House of Commons.

Actually, Mr. Scully was appointed to this post some time ago by Order-in-Council. It was for this purpose that he left private business and came to Ottawa. But before he could assume his new duties under Dr. C. J. Mackenzie, president of the council, Hon. C. D. Howe commandeered his services first as Deputy Minister of Reconstruction and now as Deputy Minister of Reconstruction and Supply. How soon he will be released to assume his new executive position with the Research Council is still indefinite.

Although the new position of vice-president to the council was created by Order-in-Council some time ago, the statute creating the Research Council, and now before Parliament for amendment, will establish this post permanently. Also to be established under the new amendments is the position of a scientific vice-president.

Of considerable importance also in the amendments is one authorizing the Council to set up "corporation" in respect of patents and industrial agreements.

Purpose of this is to permit formation of a special Crown company, owned and operated by the Council and paralleling in Canada the work and function of Research Corporation of America, to own, manage and develop patents and industrial agreements stemming from the work of the council. Once formed, it is hoped to work out reciprocal arrangements, with other countries and also to extend activities to the work of Canadian universities and similar institutions.

Anaconda Asks Court To Rule On Picket Law

The right of striking unions to bar admittance of office employees (not affiliated with any union) to strike-bound plants has become an immediate issue to be decided by the Attorney-General of Ontario as a result of the current strike at Anaconda American Brass Co. in New Toronto.

Strike of 1,400 employees, members of the International Union of Mine, Mill & Smelter Workers (CCL-CIO) was called last week when wage negotiations broke down. Almost immediately, Bernard Doherty, international representative of the union, announced that office employees would be barred from entering the plant and that "trouble would develop" if they were called in. General Manager J. S. Vanderploeg, maintenance men and guards, he said, would "be permitted" access to the plant, conditional on the understanding that no office workers would be called in.

Mr. Vanderploeg this week disclosed he had declined to accept any conditional terms and had, therefore, made no attempt to enter the plant. Instead, he has appealed to Attorney-General Leslie Blackwell to take action against the union's defiance of law and order.

"The fundamental point that must be settled first," Mr. Vanderploeg told The Financial Post, "is the establishment of law and order. Wages and seniority are subordinate matters."

The general manager declared he was not asking for police intervention. Rather he had asked for the Ontario Government to state the law in the case and explain to union members their rights during a strike and the things that cannot lawfully be done.

The union is demanding a minimum weekly wage of $34.40 for a 40-hour week, seniority in layoffs and a union shop. The company, which originally presented a program which would permit them to hire one returned man to every five employees taken back after a layoff, later amended this figure to one veteran in twenty.

"We believe that ex-servicemen who never had a job before the war are entitled to seniority rating on the basis of one year for each year they served," Mr. Vanderploeg said. "That is our stand on the seniority issue. It is in complete accord with the program advocated by the Canadian Legion."

General Ceiling Levels Stay Though Milk Subsidy is Ended

OTTAWA (Staff)—There should be a short breathing spell for consumers, now that the Government has brought its courage to the sticking point and lifted the two-cent consumer milk subsidy.

Unless new and unexpected pressures develop, it is hoped to "ease up" momentarily on further major price ceiling changes. Perhaps this is only wishful thinking, with labor and import pressures rising rapidly; but it's the WPTB program—if it will stick.

Dropping the milk subsidy was first broached more than a year ago. Since then, WPTB officials have been advocating it about every three months and with increasing insistence.

These reminders weren't "threats;" they simply drew the Government's attention to the fact that $20 millions a year was being spent to subsidize milk and pointed out: (1) the grave administrative difficulties and costs of handling this subsidy; (2) the fact that it was better to let go of this bear's tail when purchasing power was high, than when it was low.

Besides removing its biggest administrative headache, dropping the subsidy will save the Government about $19 millions for the balance of the present fiscal year.

Canada Meets Food Dead Lines; Almost Only Nation to Do So

By KENNETH R. WILSON

OTTAWA (Staff)—Canadian overseas shipments of cereals in the first four months of 1946 will reach or exceed 3 million tons.

This represents enough grain to save the lives of 33 million people according to estimates used recently by Herbert Hoover.

The 3-million-ton figure also means that Canada, almost alone among supplier nations of the world—is living up to her commitments; that, in fact, she is considerably exceeding those commitments.

U. S. Falls Short

Though government officials cannot and will not make the comparison, the Canadian figure is especially striking when put alongside U. S. performance in the same four-month period.

Thus between January and April the United States started out, initially, on a million-ton-per-month program.

The first month they shipped 1,047,000 tons.

In February this dropped to 892,000 tons; in March to less than 700,000.

In April only 625,000 tons were shipped.

This makes a total for the four months of 3,269,000 tons—only a quarter million tons more than total Canadian shipments. Also, only a little more than half the original U. S. goal. Further, these U. S. figures are in short tons, which would actually represent only 2.91 million long tons—less than Canadian shipments.

In April, Canada considerably exceeded her "Target." This target called for shipment of 347,000 long tons of wheat and 6 million bushels of wheat in the form of flour.

Figures available here this week from trades statistics show actual April wheat shipments at 360,000 tons plus more than 6.6 million bushels of wheat in the form of flour.

This means that against a target of approximately 500,000 long tons of cereals for April, Canada actually shipped 540,000 long tons.

So far in May the United States was still falling considerably behind in its program. Figures for the first week in May showed exports of only 100,000 tons of cereals against the earlier target of 250,000. Actually, U. S. officials are reported as only programming for a maximum target of 800,000 tons of cereals in the entire month since they believe this is the top figure that could be achieved.

Visit of Rt. Hon. Herbert Morrison here this week emphasized the highly delicate nature of U. K.-U. S.-Canada food relationships.

Deliveries Are What Count

Mr. Morrison came to Ottawa after having talked very bluntly and critically to U. S. leaders. But he could not say this publicly, nor could he say much to Canadians by way of specific suggestions for increasing Canadian participation. As a result the joint Canada-U. K. statement following his visit was mostly generalities and platitudes.

What both Mr. Morrison and Canadian leaders know is that the United States is highly sensitive about equal "sharing" so far as programs and promises are concerned. (The United States resents the fact that Canada hasn't increased her wheat flour extraction rate.)

But both Canada and Britain know full well that U. S. promises have not been matched by performance. What really counts, in the

(Continued on page 2, col. 1)

Strike Plan Involves 100,000 $3 Millions Weekly Payroll

60,000 Scheduled to Walk Out in Next Ten Days, More by End of July — Direct Payroll Loss May Total More Than $3 Millions Weekly

By ROYD E. BEAMISH

More than 100,000 workers on strike in seven industries. Three million dollars a week in payrolls lost to the nation. That is the goal toward which Canadian labor seemed to be heading this week.

Strikes involving 60,000 workers have already been called by union executives, to take effect by the month's end. Meanwhile 50,000 steelworkers are standing by while their officials negotiate with Canada's three major steel producers, awaiting a call to strike action if negotiations do not develop to their satisfaction. They have the assurance of complete support from their parent organization, United Steelworkers in the United States.

At press time, the Canadian strike scoreboard read:

37,000 members of International Woodworkers of America (CCL-CIO) on strike in B. C.

1,500 members of International Union of Mine, Mill & Smelter Workers (CCL-CIO) on strike at Anaconda American Brass Co., in New Toronto.

10,000 members of United Rubber Workers of America (CCL-CIO) standing by for a strike called for May 27.

6,000 members of United Textile Workers (AFL) standing by for a strike scheduled June 1.

5,000 members of Canadian Seamen's Union (TLC) standing by for strike tentatively scheduled June 3.

Strikes Votes Pending

In addition, United Electrical, Radio & Machine Workers of America (CCL-CIO) have ordered strike votes in several plants which may affect up to 15,000 of their membership before the end of July.

The estimate of 110,000 workers on strike within 60 days is regarded as conservative at labor headquarters. It will mean a loss of $3 millions a week or more in direct wages, plus an incalculable figure in indirect financial losses.

Merchants in the areas where men are on strike will be hardest hit, but running a close second will be those employed in industries which use products made by the struck firms. (It has been estimated that 80,000 workers in B. C. have been or will be affected by the current lumber strike and Ford of Canada have laid off 10,000 employees due to shortage of materials as the result of U. S. strikes.)

Planned Strike Pattern

That the strike pattern is no result of chance is evident from the fact that, of the seven unions involved in, or threatening strikes, five of them belong to the Canadian Congress of Labor which three months ago appointed a wage co-ordinating committee to plan joint strike action. The committee has met regularly since that time and its strategic concept is now finding tactical application.

Any hope that calmer heads might prevail and differences between union executives and representatives of industry might be settled by negotiation seemed to have been dissipated Tuesday night when representatives of the CCL wage co-ordinating committee emerged from a stormy meeting with Labor Minister Humphrey Mitchell in Ottawa with the announcement that strikes are "inevitable." A 4-point CCL proposal, union men said, had not received consideration from the Labor Minister.

Loss Piles Up

In British Columbia, where the strike of logging and sawmill workers was more than a week old, it was estimated that the strike was costing Canada 5 million feet of lumber and $300,000 in payrolls daily. As a result of the strike at Anaconda American Brass, the Prices Board in Ottawa has ordered the freezing of all brass and copper stocks now in the hands of jobbers and distrib-

(Continued on page 2, col. 4)

Okay Price Bros. Redemption Plan

MONTREAL (Staff)—Following closely upon its recent bond refunding, Price Bros. shareholders this week gave the company authority to redeem the outstanding 56,137 shares of 5½%, $100 par value redeemable preferred stock at par and accrued dividends. They approved creation of 50,000 shares of 4% cumulative redeemable $100 par value preferred stock. Effect of the bond and preferred stock refunding indicates earnings would have been 63c. higher in 1945 than the $2.81 (excl. EPT) actually shown, other things being equal.

Inside News

Deadlock in a Nutshell

Three weeks ago, another Dominion-provincial parley blew up. Kenneth R. Wilson, staff representative of The Financial Post in Ottawa, analyzes the reasons for the impasse. (p. 24)

Five Fat Years?

Observers predict five boom years in the United Kingdom. Herbert Morrison is reported to have advised the Government against further nationalization measures, at least until after another general election. London Calling, by Adelphi. (p. 28)

Still Reconfederate?

Hopes of further Dominion-provincial negotiations on Reconfederation ran higher this week, after Ontario's Premier, George Drew, declared himself in favor. Premier Duplessis of Quebec remained a question mark. The Provincial Roundup. (p.3)

Broadcast Newspapers

Facsimile newspapers—several editions a day—may soon be available over home radio receiving sets in the United States. General Electric is now working on the project. Fly swatters which spray perfume as they are wielded are promised in Canada soon. What's New in Business. (p.7)

Compton Income Up

On advice of his investment manager, Compton sells Dominion Government bonds and dairy stock, and purchases grain and locomotive stocks, thereby increasing his expected annual income by $21.50 to a new high of $518.35. Managed Investment. (p. 9)

Better Civil Service

What changes in policy would improve the efficiency of Canada's civil service? The Financial Post polls representative citizens on this question, receiving a wide variety of suggestions. In Your Opinion. (p. 21)

Australia Goes Ahead

Australia is on the threshold of unprecedented industrial expansion in the postwar era, particularly in the fields of motor cars, plastics and textiles. War plants constructed at a cost of hundreds of millions, have been thrown open to industry, by the Commonwealth Government. (p.17)

Fight Lumberleggers

Ottawa has cracked down on a black market in lumber, admittedly rampant, in an effort to clear the way for postwar housing construction. (p.18)

Newfie Air Bottleneck

Newfoundland has an air bottleneck, in the form of regulations debarring her citizens from boarding U.S. transatlantic planes. If they wish to fly to England, they must first journey to Montreal or New York, and book their passage from there. Newfoundland Newsletter. (p. 7)

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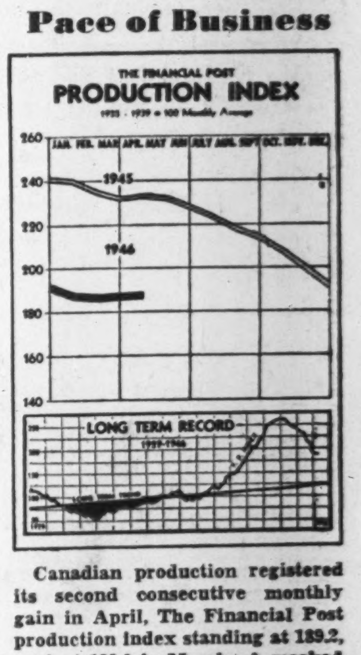
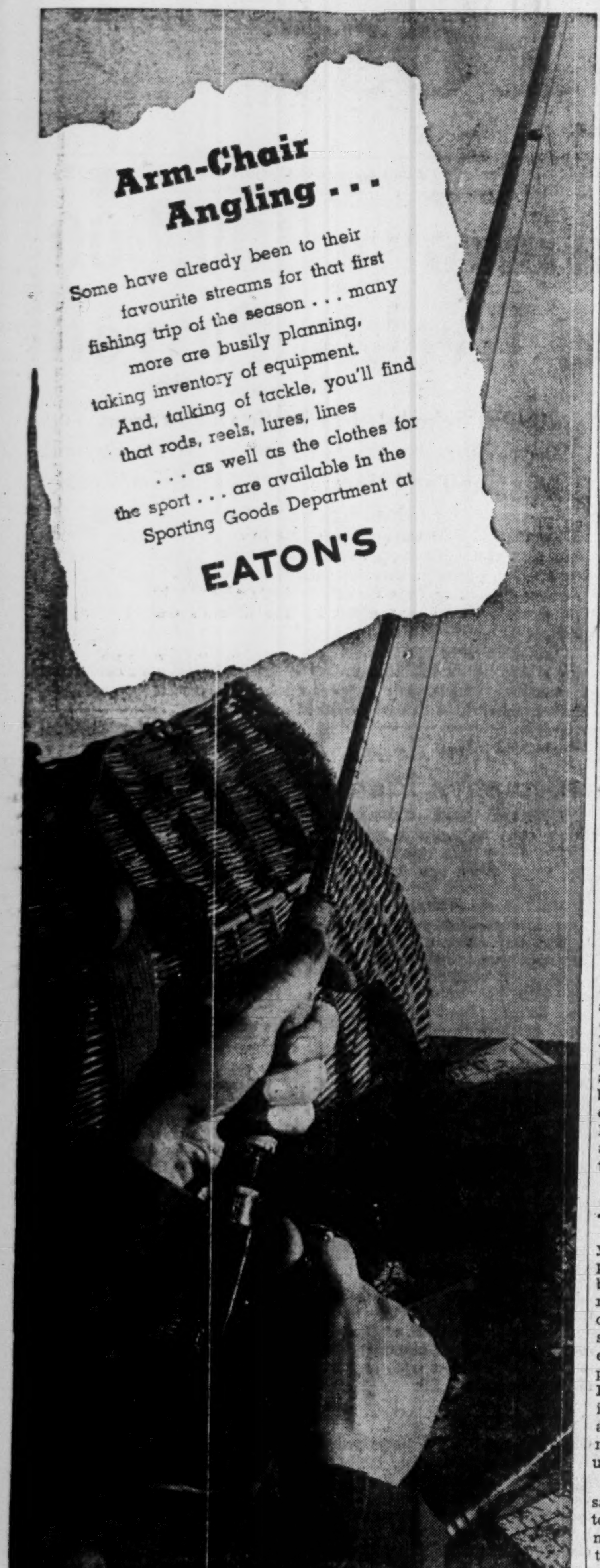
Pace of Business



Canadian production registered its second consecutive monthly gain in April, The Financial Post production index standing at 189.2, against 189.0 in March. A marked increase was shown in production of aluminum and newsprint.



Arm-Chair Angling . . .

Some have already been to their favourite streams for that first fishing trip of the season . . . many more are busily planning, taking inventory of equipment. And, talking of tackle, you'll find that rods, reels, lures, lines . . . as well as the clothes for the sport . . . are available in the Sporting Goods Department at

EATON'S

Canada Meets Deadline On Food Commitments

(Continued from page 1)

Canadian and British view, is "delivery of the goods."

Actually, Mr. Morrison is reported here as very considerably pleased with assurances received at Washington for a speeding up in the U. S. delivery program between now and September. Also important is the fact that Mr. Morrison obtained a commitment in Washington that the U. S. will not withdraw from its present undertakings without prior consultation.

The other important result of week-end deliberations was to focus attention anew on the long-term aspects of the present crisis.

As reported in the special statement of the food experts now meeting in Washington (Financial Post, May 11), the emphasis on international planning and allocation is shifting increasingly to 1947-48. Thus the life of the Combined Food Board, instead of expiring June 30, has been extended till the end of 1946. At that time it is likely that its work and functions may be taken over in part at least by the FAO.

MECHANICAL & ELECTRICAL ENGINEER

and barrister, university trained. Long experience with three large leading engineering concerns in England. At present deputy managing director of electrical manufacturers. Invites offers from Canadian companies in Ontario or Quebec to join them and develop engineering and other products especially for export. References available from high executives of British companies.

Box No. 133, The Financial Post, 481 University Avenue, Toronto 2, Ont.

CITY OF CALGARY, Alta. $4.1 millions new issue is being offered by a syndicate consisting of Cochran Murray & Co. and Fairclough & Co. of Toronto, Tanner & Co., Calgary and Pemberton & Son (Vancouver). Bonds consist of $2.5 million 2%-2¾%'s due July 1, 1947 to 1956, and $1.6 million 3%'s due July 1, 1957 to 1961 of which the 3's are offered to yield 2.75%. Proceeds are for redemption of $4,185,480 outstanding 4½% and 5% debentures which are being called for redemption on July 1, 1946.

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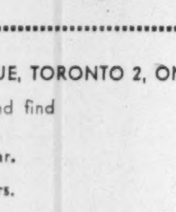

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Construction Trends

By CLIVE CHATTOE

Mansur Pushes 'Integrated' Scheme For Limited-Profit House Building

Canadian house builders are getting over their pronounced hesitancy of a few weeks ago to plunge into Ottawa's NHA Integrated Housing Plan, reports to The Financial Post from several key cities reveal. Increasing numbers each week are applying for a place in the program which, however. will be kept to relatively modest proportions in 1946, it is now officially indicated.

Ten or a dozen Toronto builders, for example, instead of the one or two at present, may undertake an average 10 to 50 or more houses each in group building developments under IHP, it was indicated at a meeting this week of Toronto Metropolitan Home Builders' Association.

By recent decision and agreement between the government corporation and NHA-approved mortgage lending companies, CMHC President David B. Mansur told the meeting, NHA loans under the integrated housing program would be larger than ordinary NHA loans and down payments correspondingly lower, since protective features of the scheme invited substantially higher valuation (The Financial Post, Construction Trends, April 27). The Toronto meeting was the first occasion when discussion of higher valuations for "integrated" housing had been brought into the open.

H. G. Glover, Ottawa, supervisor of the housing corporation's joint loans division, outlined the integrated plan and the supply priorities attached to it. The plan, requiring builders to undertake an average 10 to 50 houses each, mostly grouped, requires them as well to adhere to a limited-profit low-price formula, and to fairly rigid standards of land choice, pattern of streets and siting, house design, materials and construction. To the builder, in return, are guaranteed ample supplies of building materials as required—under the recently formalized veteran housing priorities known as "APH," approved priorities housing—and the sale of his houses.

• • •

20,000 Priority Houses

About 20,000 dwelling units this year, or one third of all housing expected to be built, will be covered by Ottawa's new supply priority regulations, W. E. Uren, chief priorities officer in the Dept. of Reconstruction and Supply told the builders. Including the NHA integrated plan, Veterans' Land Act, Wartime Housing, Housing Enterprises and individual veterans' houses stalled at near-completion stages, priorities now cover about 10,000 dwelling units, Mr. Uren revealed.

Nail shortage was a mystery, he said, reporting production increase to a recent average 105,000 kegs a month. Both the steel industry and the government are puzzled over where this huge volume is going, Mr. Uren said. "Export" of nails as part of packaging for goods going abroad might be heavy but direct export by the keg was being rigidly curbed. And, he said, there is no stockpiling by Wartime Housing or Veterans' Land Act beyond immediate needs. He could explain the present shortage of nails in localities with big building programs only as resulting from excessive demand for construction and repairs, on top of a growing call for nails in packaging, furniture, boat building and similar wood-using industries.

• • •

Want Salvage Materials

National Construction Council of Canada and at least some of its ten constituent national associations, may ask Defense Minister Abbott to speed the process of declaring as surplus and available for salvage, all idle temporary buildings erected in the past five years for military use. The Council executive and constituent bodies were asked to make such representation to Ottawa by last week's NCC annual meeting in Toronto.

Strength was added to the proposal—already strong by reason of rising deficits in materials for housing and building—by agreement among officials representing contractors, architects, engineers, lumbermen and others, that a surprising 75 to 85% of original materials could be salvaged from such structures in readily re-usable condition provided demolition was well planned and adequately supervised. Lumber was mentioned especially; it was agreed quality of salvaged lumber would excel today's run of the market, and that in quantity it would make an important contribution to tightly stretched supplies before the full flow of 1946 production was reaching consumers into July, August and September.

The meeting suggested three other recommendations to Ottawa. Reconstruction Minister Howe, it was thought, should be asked to report to the nation on steps being taken to speed production of scarce building materials. His construction industry panel on materials was holding its 14th meeting since January in Ottawa the next day, had already made a number of proposals, several of which apparently had been acted upon, and was scheduled to wind up its series of studies some time in June. Concensus, too, was that War Assets Corp. and Crown assets allocation committee be asked to speed disposal of surplus equipment, and that the Canadian Standards Association be asked to undertake a concerted program for standardization of building materials.

Cut Gasoline Sale Hours In Toronto and Windsor

Two Ontario municipalities have had restricted hours of sale of gasoline in service stations authorized by the Industrial Standards Board and several more applied for extension of the ruling to their areas.

Under the Ontario Government ruling, stations in Greater Toronto and in Windsor may operate from 7 a.m. to 7 p.m. Monday through Saturday — and on Sunday specially designated stations may remain open between 10 a.m. and 5 p.m. Each station is to be permitted 12 open Sundays in the year, one each month.

In the case of Greater Toronto, with more than 700 service stations in all, there will be an estimated 200 open for seven hours each Sunday by this procedure. In Windsor a local bylaw provides for Wednesday afternoon closing.

Ontario Motor League officials are asking that provision be made for the sale of gasoline to emergency travellers, as in other provinces where general sale is limited by law. During the regime of the Federal Oil Controller it was possible to secure gasoline on application to police. The new Ontario regulations include no such loophole. The Financial Post is told an elastic arrangement will provide for physicians and others requiring service during off-sale hours.

Nova Scotia and Saskatchewan are the only other provinces with government regulation in this field, although British Columbia has many municipalities with local bylaws.

Service Stations Hit Cut in Hours

From Our Own Correspondent

WINDSOR—Service station operators in Sandwich East and Sandwich South townships are protesting provincial orders closing them at 7 p.m. (12.30 p.m. on Wednesdays), saying such restrictions will cripple tourist traffic in southwestern Ontario.

Already, station operators have reported cases of U.S. tourists begging for gasoline after hours. One operator told of being offered $1 a gallon.

Saskatchewan has a general rule that stations shall close between 7 p.m. and 5 a.m. the year round, except where municipal authorities or local groups of dealers have alternative limitations. In Nova Scotia, stations outside towns and cities must remain open from 7 a.m. to 7 p.m.; and in town, May through October, they must close from 7 p.m. to 8 a.m., during the six winter months they must close from 6 p.m. to 8 a.m. except on Sundays and legal holidays.

Hours of sale vary from one city to the next in B. C., but the general pattern calls for Sunday closing and limitation of sale roughly to the hours of daylight.

Prince Edward Island, New Brunswick, Quebec, Manitoba and Alberta, The Financial Post is told, have no restrictions.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Abitibi Power & Paper Co. E. W. Bickle, J. H. Gundy, W. H. Smith, J. S. D. Tory, directors.

Atlas Steels, Ltd. (Welland, Ont.) —C. Leonard Bailey, vice-president and domestic sales manager.

Barker's Biscuits, Ltd. (Toronto) —S. J. Burk, general manager; H. G. Mortimer, sales manager.

Burlington Steel Co. — Frank C. O'Brien, president; Norman A. Eager, general manager and a director; C. E. Abbs, a director.

British Columbia Government—J. B. Williams, natural gas and petroleum commissioner.

Rolland Paper Co. (Montreal)—Alderic Laurendeau, a director.

Coniagas Mines, Ltd.—C. G. Williams, a director.

Canadian Wright, Ltd. (Montreal) —H. V. Wright, president.

Canadian Government — Glenn Bannerman, director of exhibitions, Dept. Trade and Commerce.

Canadian National Railways—J. M. Macrae, western freight traffic manager (Winnipeg).

Foster Wheeler Ltd. (St. Catharines, Ont.)—H. S. Brown, chairman of board.

Fleury-Bissell Ltd. (Elora, Ont.)— E. R. Deeks, vice-president and director.

Hamilton Chamber of Commerce —H. A. Cooch, president.

Imperial Oil, Ltd.—H. J. Hamilton, sales development manager, Montreal; D. F. Kindellan, resident manager, Quebec City; C. A. Sabourin, resident manager, Abitibi district.

Insurance Accounting & Statistical Assoc'n — Hudson, J. Stowe, Toronto, president.

Manufacturers Life Insurance Co. —W. P. Wonsley, branch manager, Edmonton.

Mount Royal Hotel Ltd. (Montreal)—Robt. W. Steele, a director.

Martin-Senour Co.—R. D. Paterson, Quebec and Maritimes sales manager.

Northern Pigment Co. (New Toronto)—Bruce Ross president.

National Research Council—V. W. Scully, vice-president and chief administrative officer.

Saskatchewan Government—R. J. Davidson, Acting Deputy Minister of Education and chairman of Teachers' Superannuation Commission; Miss Elma Hannah, member of Minimum Wage Board.

Trans Canada Airlines—John M. Jackman, district traffic manager, Edmonton.

Trans-Canada Air Lines — J. T. Moore, district traffic manager, Ottawa; A. A. Stapells, assistant district traffic manager, Toronto.

Quebec Association for Prevention of Industrial Accidents—J. Edouard Simard, president.

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Canada Faces Labor Crisis

(Continued from page 1)

utors across the country. The Prices Board announcement said the strike would "seriously hamper the national housing program."

The strategy committee of United Rubber Workers went into continuous session in Toronto on Wednesday, making preparations for the strike that has been called for 12.01 a.m. Monday morning, May 27. Unless some of the rubber companies concerned accede to union demands for a general wage increase of 20c. an hour, the strike will affect 14 Ontario plants employing 10,000 workers.

Meanwhile the threatened strike of Canadian lake seamen moved suddenly nearer as CSU President J. A. Conroy announced the deadline had been moved forward four days from June 7 to June 3. He added that the strike would be called June 3 "unless through unforeseen circumstances the strategy committee of the union decided to move the date ahead."

Heating By Electricity Seen Costing Four Times Coal

Heating homes by electricity is not feasible today except at costs way beyond that of the average fuels, an official of the Hydro-Electric Power Commission of Ontario tells The Financial Post. In addition, there is not sufficient power available.

Anthracite coal would have to cost over $65 a ton as against its present price of $15.50 a ton, for electricity to compete, it is calculated. Or else there would have to be a 75% reduction in the present average domestic rate for electricity of 8/10 c. a kw.h. Cheapest power ever sold was at 3/10 c. a kw.h. and this was for off-peak power subject to cut at any time. It was used for generating steam and has not been sold since 1940.

Here is how the prices work out. One kw.h. has a heating content of 3,413 B.t.u.'s. One pound of anthracite contains about 14.000 B.t.u.'s. So one ton of coal is equivalent to 8,200 kw.h. Using the average domestic rate of 8/10 c. a kw.h. (which would not be allowed for heating, it is stated) the electricity equal to one ton of coal would cost $65.60.

But even if the price were competitive sufficient power is not available at present, the Commission states. It is estimated that it would require about 20 kw. capacity to heat a house. To heat only 19,000 houses would take about a 380,000 kw. which is around the total load of the Commission's Queenston plant—its largest plant. In addition, the distribution system would have to be doubled to carry the extra load to the homes.

As the largest proportion of the cost of power is the carrying charges in the capital investment, a rate increase would likely be necessary to cover the investment in new facilities, it is stated. The heating load is a part-time load—about seven months of the year—and would come in the winter when domestic demand is the greatest, it is pointed out.

Look For It Here

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C. LEONARD BAILEY

has been elected vice-president and domestic sales manager of Atlas Steels, Ltd.

United Nations To Reconnoitre Trade Barriers

OTTAWA (Staff)—Opening shot in proposed United Nations discussions looking toward a world trade conference will be fired in New York when the economic and social council of the United Nations meets there this week.

But there isn't any chance that UNO will be able to come to grips with vital trade and tariff matters in 1946; not in fact. until after the U. S. elections and subsequent clarification of tariff policy by that country.

What will happen at New York, according to well-informed observers here, is that a preparatory commission of the council will be set up to prepare the way for a forthcoming world trade parley. But the agenda it will be given will exclude specifically any discussion of tariff or quota matters which impinge on government trade policy.

Skirting these two vital and contentious areas, the preparatory commission will probably get to work during the coming summer to draw up proposals on other matters which will be before the world parley in 1947. These include cartels, commodity agreements, state trading, exchange controls, restrictive business practices, etc.

The key fact, a fact which will probably be omitted in forthcoming ballyhoo about the world trade parley—is that the U. S. Government has decided it can make no progress in trade or tariff policy before the November elections. This means that no nation will or can come to grips with tariff matters, so long as the position of the United States remains in doubt.

This does not mean that useful preparatory work cannot be done by the proposed committee. But it does means that the real job of tackling world trade barriers is still indefinitely postponed — at least until after the November U. S. elections.

Chief Canadians delegated to New York will be Hon. Brooke Claxton and Dr. W. A. Mackintosh.

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ORANGE CRUSH LTD. now owns over 75% of the outstanding common shares of Chas. Gurd & Co., chairman of the board, E. P. Taylor announces. In April the company made an offer to the common stockholders of Gurd for an exchange of shares on the basis of two Orange Crush preferred for three Gurd common. This offer was to have expired April 30, but has been extended to May 31.

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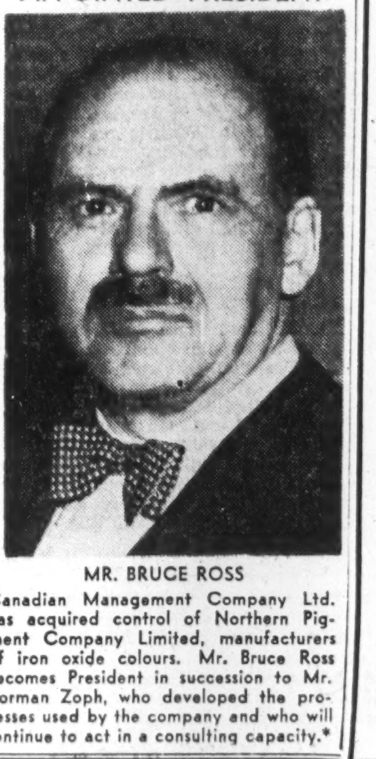
APPOINTED PRESIDENT



MR. BRUCE ROSS

Canadian Management Company Ltd. has acquired control of Northern Pigment Company Limited, manufacturers of iron oxide colours. Mr. Bruce Ross becomes President in succession to Mr. Norman Zoph, who developed the processes used by the company and who will continue to act in a consulting capacity.*

Back into Civvies... by Simpson's!

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Second Floor

The Provincial Roundup

Reconfederation up to Duplessis? Ontario Schools Defy Heating Ban

Hopes ran higher this week that all might not have been lost at the Dominion-provincial conference which ended abortively three weeks ago. Possibly Quebec's Premier Maurice Duplessis, unusually sphinxlike, held the answer to the question. Ontario's Premier George Drew had already voiced hope for early resumption of negotiations; insisted provinces and Dominion "can and must reach an agreement if all Governments recognize the true principles underlying the Federal system and maintain the strength of that system in fact as well as in name." He warned, however, that Ontario will not relinquish all its taxing rights; "will not become a clamorous beggar at the door of any Dominion government." Most other provincial leaders had declared themselves for further negotiation.

Alberta's attorney-general, Lucien Maynard, forecast a worse depression than in the '30's "unless the Dominion and the provinces reach an agreement"; he said Alberta is willing to accept Ottawa's proposals "as temporary expedient;" suggested that voters of Ontario should force the Drew administration's hand; feared that Quebec is "hopeless," and British Columbia not much more conciliatory.

* * *

Prince Edward Is.

Milk, Eggs, Fly to Newfie

Island milk and eggs blazed an air trail to Newfoundland this week aboard a C-47 transport plane, operated by the U. S. Army, after red tape bottlenecks had been bypassed. (Not allowed, under U. S. regulations, to land a plane at airfields with no control tower in operation, the Army had to wait until the RCAF resumed normal activities at Summerside. Then the Dairy Products Board held up granting an export permit until it had "investigated the U. S. Army's Newfoundland requirements.") Plane will make two trips weekly, carrying 200 gallons of fresh milk each trip, plus whatever fresh eggs are obtainable. Island observers saw a foundation for a promising export trade.

* * *

Nova Scotia

Jubilee Budget Cut

The Legislature cramped Halifax's plans to celebrate, in 1949, its bicentennial, by giving the city authority to borrow only $50,000, one fifth of the sum originally planned for the jubilee; but the capital city was still determined to make the occasion a gala one. Plans included opening of a new public library as a war memorial.

The capital prepared a superannuation plan for civic employees, financed by five per cent deductions from salaries and equivalent contributions from the taxpayers. Retirement will be compulsory at 65 for all except police, whose limit is age 55 or 25 years' service. Contribution for police may have to be raised to six per cent in view of the earlier retirement age.

United Fruit Companies Ltd. let a contract for a $235,000 cold storage plant at Coldbrook, in the heart of the Annapolis Valley apple country (capacity approximately 250,000 boxes of apples; expected to be in operation for this year's crop).

Coldbrook, two miles from Kentville, outbade the latter in inducements for the plant.

* * *

New Brunswick

Divorce Mill Busy

The Court of Divorces and Matrimonial Causes this week faced the heaviest single-term docket in its 159 years' history—145 cases, with husbands plaintiffs in 78 applications. Only 10 cases were contested.

May rains, following heavy April snows, caused soggy ground and delayed farmers in spring seeding; promised better summer pasture, but kept cattle stabled in the interim. Dry, warm weather, to speed germination, was needed.

The annual lumber and pulpwood drive down the Restigouche River got off to a bad start, almost a month later than in 1945, but promised to set a speed record by ending before June. With water levels satisfactory, due to rainfall and spring thaws, the main watercourse was jammed with logs and pulpwood (total cut, 150 million feet).

* * *

Quebec

Fight Whooping Cough

The province prepared to banish whooping cough by immunizing all school children against the ailment. Preliminary experiments in combining whooping cough vaccine with diphtheria toxoid, showed only 213 cases of the disease, and no deaths, out of 38,188 treated—against 2,291 cases, 23 deaths, in an unprotected group of 145,494. "Startling malnutrition" was reported discovered among children of both well-to-do and poor parents. A survey of 66,665 showed 64.8% physically deficient.

Postwar crime is likely to double Montreal's postwar homicide rate (25 killings in 1945, 12 in 1944), citizens were warned by the vital statistics branch. Fatal accidents last year dropped from 394 to 376.

* * *

Ontario

Schools Defy Ban

Schools in most larger cities—Toronto, Ottawa (temporarily), Windsor, London, Kingston—defied, or ignored the Federal ban on heating; said children's health necessitated warm classrooms. Toronto Education Board Chairman W. R. Cockburn would rather close the schools than operate them heatless, and declared parents and physicians backed his stand. Ottawa hinted at prosecutions if the revolt continued. Greenhouse operators complained the heat ban would ruin their stocks, drive some into bankruptcy.

Shouts of "liar" interrupted Commissioner J. D. McNish's royal commission investigation into meat black marketing as a witness told of collecting above-ceiling payments from retail butchers (70 cents up to "more than $100") for meat delivered to them. The commissioner promised "severe punishment" for attempts to intimidate witnesses.

Hamilton sought a supply of a new "wonder drug," streptomyecin (reported not yet available in Canada) to treat three suspected cases of anthrax. Death of one woman was already attributed to the disease, common among animals but infrequent among humans.

Toronto area returned to wartime hours of gasoline sales, 7 a.m. to 7 p.m. daily, under a provincial regulation passed at the request of service station operators. Sunday sales will be permitted on a limited scale, 10 a.m. to 5 p.m., with no station allowed to operate more than one Sunday a month.

European sportsmen, spanning the Atlantic in jet-propelled planes in four hours, to fish and hunt in Canada, were foreseen by Premier George Drew as a not-too-remote possibility.

* * *

Manitoba

Coalition Not Cracking

Provincial Progressive Conservatives did not feel the Coalition Government's immediate future was endangered by Premier Stuart Garson's stand at the Dominion-Provincial Conference; did not see eye to eye with Manitoba's Federal Prog-Con's, who rapped Garson, a Liberal, as "chore-boy" for the Ottawa administration. The Coalition, first formed by John Bracken (present Federal Prog. Con. leader) in 1940, now numbers 26 Liberals, 13 Prog. Cons, who rapped Garson, a Liberal, pendent, in a House of 55.

Forty-two Japanese families (about 100 persons) left the province last week, on the road back to the Orient. Most of 1,047 Japanese left in Manitoba were eager to stay in Canada although many hoped to return to the coastal region of British Columbia from where they were removed early in the war. Those who left last week did so voluntarily, at least so far as the head of the family was concerned. Filial loyalty made some follow decisions of their parents.

Winnipeg's municipally owned hydro electric system, (born 40 years ago when the city passed the first bylaw to build a plant at Pointe du Bois on the Winnipeg River), was the issue in two controversies.

One was a drive to reduce power rates and give service so nearly as possible at cost, the other, whether the city council should be permitted to divert portions of hydro surplusses to general municipal revenues. This practice started in 1938 when the city was trying to balance its budget without increasing its general tax rate. Since 1938 the city has taken $2,787,950 from hydro surpluses and applied it to general taxation.

Winnipeg power rates, frequently cited as among the cheapest on the continent, are 15% higher than in Toronto, Walter MacDonnell, a chartered accountant, reports. Average rate per kilowatt hour is 1.334 cents and in Toronto 1.16 cents (even lower since 1944, Mr. MacDonnell says). In addition, Winnipeg pays a 2½% city sales tax on electricity consumed.

* * *

Saskatchewan

Wages of Gin

Pedagogue Clarence Melvin Fines, provincial treasurer, unsmilingly announced record liquor profits of $6,605,448, up $2,829,202 from a year before. The Government, said Fines, a school principal until 1944, "takes no pride in the increase . . . it does not reflect a healthy situation. While increased attention is being given to temperance matters in our schools and in the public health education program, the Government fully realizes the need for a more vigorous campaign.

Natural Resources Minister J. L. Phelps and his deputy, Henry Lewis, did not see eye to eye, Premier T. C. Douglas admitted; said it was due to "a clash of personalities," rather than to differences on policy. Nevertheless, Phelps disclosed "a considerable reorganization" in his department.

Workers (except farm hands and domestics) after a full year of service were guaranteed two weeks' holidays with pay. The bill, passed in 1944, had been held up until now, because of federal wage control regulations.

Taking a lead from RCAF methods in Burma, the province was organizing an air ambulance system to deliver serums and other medical supplies by parachute to isolated communities in case of epidemics.

With postwar reopening of the Hudson Bay route (six ships of the Dalgleish line) Newcastle, Eng., scheduled to sail with grain cargoes from Churchill, a move was launched to strengthen the route's economic position, by bringing in return cargoes from England and Europe. Only one of the six ships thus far has an assurance of westbound freight.

* * *

Alberta

Fight Freight Rate Boost

Provincial authorities and Chamber of Commerce leaders united to fight suggested higher freight rates. Public Works Minister W. A. Fallow branded present rates "outrageously high and wholly indefensible"; President C. D. Jacox of Edmonton C. of C. said any increase would be "intolerable," unless ceiling readjustment permitted increased prices.

Milk at 15 cents a quart loomed as a possibility. After abolition of the federal subsidy (effective June 1) raised the consumer price from 10 to 12 cents, dairies cited increased livestock, feed and labor costs since the ceiling was set in 1941.

Tourist industry may supersede even agriculture in importance, Provincial Secretary and Economic Affairs Minister A. J. Hooke, predicted.

A 1946 outlay of approximately $200,000 for Jasper Park publicity and advertising alone is planned by the C.N.R.

University of Alberta requires $1 million for current expenses over and above fees of more than 4,000 full-time students expected next year, Dr. Robert Newton, president of the university, told the 1946 convocation; warned that the university "is approaching dangerously near the point where it must consider reducing expenditure or getting access to supplementary funds."

There were 1,461 student veterans on the campus this year and at least that many are expected next year. Total of 150 qualified civilian students were turned away because of inadequate accommodation.

Dr. Newton told of the difficulties in finding living accommodation for students, crowded classrooms, lecture hours from 8.00 a.m. to 10 p.m., and difficulty of obtaining instructors.

Edmonton Real Estate Association counselled veterans to deal only with reputable firms in buying homes; guaranteed that before a deal is closed with a veteran for a home, the property will be valuated by a Dept. of Veterans' Affairs appraiser.

Edmonton retail jewellers called for removal of the "discriminatory" 25% luxury tax on jewellery.

* * *

British Columbia

Seek Peace River Oil

A intensive search for oil in the Peace River block was foreshadowed by appointment of Dr. J. B. Williams, Calgary petroleum engineer and geologist, as commissioner of natural gas and petroleum. Planning "a scientific and progressive approach," the Government had already established a reserve on the Lone Mountain area, where gas seepages and geological study indicated possibility of an oil field.

Rationing of advertising, news, and possibly circulation, of daily newspapers from Victoria southward to Mexico City, loomed as a threat if the strike of 37,000 wood workers continues. Victoria's dailies, Colonist and Times, planned a cut in size next week, with other dailies and weeklies likely to follow suit.

Construction throughout the province soared to a new peak—$28,490,042 in the first four months of 1946, nearly four times the $7,502,115 figure for the same period of 1945. Vancouver alone set a mark of $12,703,291; Victoria, New Westminster, Burnaby, Surrey and Saanich were all over the million mark.

The province moved to protect ex-servicemen and other investors by requiring all salesmen of business ventures or opportunities to be registered and to post bonds ranging from $1,000 to $2,500. Many war veterans and others, authorities state, have been victimized into buying shoddy ventures at sky-high prices.

Boards of Trade and Chambers of Commerce from Oregon, Washington, British Columbia, Alaska, joined in urging an international highway from Prince George to Alaska, construction costs to be shared by Canada and the United States.

ALDERIC LAURENDEAU

has been elected a director of the Rolland Paper Co.

HARRISON & COMPANY
LIMITED

Announce that the following have
been elected to the Board of Directors

A. Colin Cochrane

C. Teskey Smith

Executive appointments have
also been made as indicated

Gordon K. Masters — Executive Vice-President
John S. Hill, C.A. — Comptroller and Assistant-Treasurer

BOARD OF DIRECTORS

T. R. Harrison — President and Treasurer
Gordon K. Masters — Executive Vice-President
G. Morley Thompson — Secretary
A. Colin Cochrane — Manager, Institutional Department
C. Teskey Smith — Manager, Retail Sales Department

MAY 15, 1946

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L. R. Aubry,
Town Clerk,
Sturgeon Falls, Ont.

NOTICE OF REDEMPTION

The Hydro-Electric Power Commission of Ontario

TEN YEAR 3% BONDS

Dated	Due
1st August, 1938	1st August, 1948

NOTICE is hereby given to all holders of outstanding ten year 3% bonds of The Hydro-Electric Power Commission of Ontario dated 1st August, 1938, due 1st August, 1948, that pursuant to the provisions thereof, all the outstanding Bonds of the said issue are hereby called for redemption and prior payment as an entirety at the principal sum thereof on the 1st day of August, 1946 at the principal office of the Bank of Montreal in any of the Cities of Toronto, Montreal, Ottawa, Saint John, Halifax, Winnipeg or Vancouver at the holder's option, upon surrender of the said bonds with the interest coupons due 1st February, 1947 and all subsequent coupons attached. Interest on all said bonds shall cease to accrue from and after 1st August, 1946. Registered bonds should be accompanied by all instruments requisite for transfer.

OSBORNE MITCHELL,
Secretary.

Toronto, 20th May, 1946.

Market Studies Interest Rate Rise Decides It's Not a Bearish Signal

Little likelihood of a sharp drop in Canadian Government bond prices similar to the recent drop in the United States and the United Kingdom is seen in investment circles, a survey made by The Financial Post indicates. However, "it may well be that we have seen the top of the market at least temporarily," was the way one expert summed up the situation.

Special circumstances explain the present action of both the U. S. and British Government bond prices, it is pointed out. Higher prices for long-term bonds than are now current are expected by investment men in both markets.

However all investors are keeping a sharp eye on the action of bond prices. Few economic statistics are considered of more significance than the rate of return received on government bonds. Yields on government bonds—the safest of all securities—are the pivotal point for yields on all other securities. Interest rates naturally are determined in relation to the rate obtainable on "safe money."

Prelude to Crash

Before the stock market drop of 1929 and 1937, bond prices dropped, it is pointed out. Whether the current fluctuations have any significance for stock markets cannot yet be determined, but a rise in rates is a signal which investors are watching carefully. The low return on bonds has been forcing funds into the stock markets in search of better returns. If bond prices drop, some of this pressure may be removed from the market which would reduce its bullish influence.

In both 1929 and 1937 the basic trend of bond prices had been upward with the change representing an interruption of the trend. Now many investors believe bond prices are near their all-time peak, if they have not already passed it.

There have been governmental efforts to stop the rapid rise in bond prices, which injects a new problem into the picture. A fall in bond prices might merely mean an overdue "correction" with no long-term market significance.

So far no great drop in bond prices is looked for. In the rise of bond prices to their present levels, the Bank of Canada's quoted prices have been behind the market, indicating that the pressure of funds for investment—and not government policy—had been the prime factor in the upward movement, it is pointed out.

There is a growing feeling that this fall's Victory loan will carry a 2¾% coupon, although the actual rate will depend on the market at that time. This would suggest a slight drop in present government prices as Ninth Victory loan 3% bonds now yield 2.60% and Dominon 3% perpetuals about 2.75%. (A 2.75% basis on Ninth Victory loan would mean a two-point drop from present prices.)

Acting against any large market drop in Canadian bond prices is the amount of funds available for investment. Savings deposits of Canada's chartered banks were at a new high level at $3,170 millions at the end of March. With no loan being offered this spring, there seems likely to be a good potential demand for the outstanding bonds.

This year, Canada's Ninth Victory 3% bonds of 1966 have twice bettered the $105 level (to yield less than 2.60%)—in early March and again the middle of April. Each time there have been reports of heavy U. S. buying. With a reduction in the pressure of U. S. buying, bond prices have eased only slightly with the Ninth loan selling only slightly below the $105 mark. The current 2.60% level for these bonds represents a sharp rise from the 3.00% rate which prevailed when they were issued last November.

In the United States, Treasury 2½% bonds due 1967-72, issued last December at par, rose to a high of $106 19/32 to yield 2.12% on April 6. Since they have dropped about $4 to about a 2.35% on May 15 and now have recovered nearly $1½ of the loss to yield less than 2.25%. Special factors are said to account for this action. Two factors were thought mainly responsible for the drop: elimination of the Federal Reserve Board's preferential discount rate of ½% which discouraged member bank borrowing on short-term collateral for investment in long-term bonds; the possibility of large-scale speculative sales following the six-months tax holding period for Victory loan issues (May 15-June 8) when profits from such sales would only be taxable at long-term capital gain rates. Late last week, the granting of permission to commercial banks to purchase these issues cause a sharp reversal of the downward movement.

In the United Kingdom, prices of outstanding bonds dropped sharply following Chancellor Hugh Dalton's announcement of a new 2½% tap loan due 1964-67. Much less generous terms had been expected and the market was out of line with the new loan. The previous 3% tap loan, which had been sold at par up to Dec. 15, 1945, and had hit a new high last week to yield about 2.52%, fell to a 2.67% basis, a price drop of over £3 a £100. It has been suggested that the "more generous" terms offered on the new loan may have been a deliberate attempt to stop the bullish trend in the London stock market which is thought embarrassing to the Socialist Government.

In both the U. S. and U. K. markets, there is reported a definite feeling that current prices will be bettered this year.

Current feeling, consequently, would not suggest that a repetition of the 1937 and 1939 stock market breaks are necessarily indicated by current bond price fluctuations. Further the drops to date do not compare in size with the earlier precedents.

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Maritime Telegraph and Telephone Company Limited

Refunding and General Mortgage Bonds — Series "B"

NOTICE OF REDEMPTION

NOTICE is hereby given that Maritime Telegraph and Telephone Company Limited has elected to redeem and to pay off, on July 1st, 1946, all of its outstanding **Refunding and General Mortgage Bonds Series "B"** issued under and secured by a Trust Indenture and Mortgage dated January 1st, 1926, as amended by two Supplementary Trust Indentures and Mortgages dated February 12th, 1926 and January 1st, 1936, respectively, all made by the said Company in favour of The Eastern Trust Company, Trustee.

AND FURTHER TAKE NOTICE that on the said date fixed for redemption, namely July 1st, 1946, there will become due and payable on each of the bonds so to be redeemed in lawful money of the Dominion of Canada, at the office or agency, or offices or agencies, at which, at the option of the holder, the principal of the bonds is payable (namely, any of the principal offices of The Canadian Bank of Commerce in the Cities of Halifax, N.S., Montreal, P.Q., and Toronto, Ontario) the principal thereof, together with a premium of three per cent (3%) of such principal amount as is specified in such bonds, and together also with accrued interest to July 1st, 1946, upon presentation and surrender of the said bonds with all unmatured coupons pertaining thereto, including the coupon payable July 1st, 1946.

AND FURTHER TAKE NOTICE that from and after July 1st, 1946, interest on the said bonds shall cease to accrue.

DATED at Halifax, N.S., this 2nd day of April, 1946.

MARITIME TELEGRAPH AND TELEPHONE COMPANY LIMITED

(Sgd.) W. A. WINFIELD, President.
(Sgd.) ROBERT O. CUTLER,
Assistant-Secretary.

NOTICE OF CALL AND REDEMPTION

TO THE HOLDERS OF ALL CITY OF BRANDON 3½ PER CENTUM AND 3 PER CENTUM DEBENTURES DESCRIBED HEREIN DATED JUNE 1st. 1944

TAKE NOTICE that the City of Brandon hereby calls for redemption and intends to redeem all its outstanding Debentures as follows:

Nos. 53-391 to 53-420 inc., due Dec. 31, 1953.
Nos. 52-361 to 52-390 inc., due Dec. 31, 1952.
Nos. 51-331 to 51-360 inc., due Dec. 31, 1951.
Nos. 50-301 to 50-330 inc., due Dec. 31, 1950.
Nos. 49-261 to 49-300 inc., due Dec. 31, 1949
Nos. 48-221 to 48-260 inc., due Dec. 31, 1948.
Nos. 47-181 to 47-220 inc., due Dec. 31, 1947.
Nos. 46-141 to 46-180 inc., due Dec. 31, 1946.

and such call for redemption is in accordance with the terms of the said Debentures. The said Debentures are redeemable and will be redeemed at face value and accrued interest on June 29, 1946 at the following places:

IN THE PROVINCE OF MANITOBA: At the Main Office Imperial Bank of Canada in the Cities of Brandon and Winnipeg.

IN THE PROVINCE OF ONTARIO: At the Main Office Imperial Bank of Canada in the City of Toronto.

IN THE PROVINCE OF QUEBEC: At the Main Office Imperial Bank of Canada in the City of Montreal.

IN THE PROVINCE OF BRITISH COLUMBIA: At the Main Office Imperial Bank of Canada in the City of Vancouver.

AND FURTHER TAKE NOTICE that all interest will cease to accrue on or in respect to the said Debentures after the date set for redemption, June 29, 1946, and all said Debentures, both as to principal and interest, shall become due and payable on June 29, 1946.

DATED at the City of Brandon in the Province of Manitoba this 20th day of MAY, A.D. 1946.

SIGNED on behalf of the City of Brandon:

G. A. HALL, City Clerk
A. J. M. BELL, Treasurer

NOTICE OF CALL AND REDEMPTION

TO HOLDERS OF SCHOOL DISTRICT OF BRANDON No. 129 DEBENTURES

Take notice that the School District of Brandon No. 129 in Manitoba, hereby calls for redemption and intends to redeem all its 3½% and 3% debentures described as follows:

Nos. 64-353 to 64-365 inc., due Dec. 31, 1964.
Nos. 63-340 to 63-352 inc., due Dec. 31, 1963.
Nos. 62-327 to 62-339 inc., due Dec. 31, 1962.
Nos. 61-314 to 61-326 inc., due Dec. 31, 1961.
Nos. 60-301 to 60-313 inc., due Dec. 31, 1960.
Nos. 59-288 to 59-300 inc., due Dec. 31, 1959.
Nos. 58-275 to 58-287 inc., due Dec. 31, 1958.
Nos. 57-262 to 57-274 inc., due Dec. 31, 1957.
Nos. 56-249 to 56-261 inc., due Dec. 31, 1956.
Nos. 55-236 to 55-248 inc., due Dec. 31, 1955.
Nos. 54-223 to 54-235 inc., due Dec. 31, 1954.
Nos. 53-210 to 53-222 inc., due Dec. 31, 1953.
Nos. 52-197 to 52-209 inc., due Dec. 31, 1952.
Nos. 51-184 to 51-196 inc., due Dec. 31, 1951.
Nos. 50-171 to 50-183 inc., due Dec. 31, 1950.
Nos. 49-157 to 49-170 inc., due Dec. 31, 1949.
Nos. 48-143 to 48-156 inc., due Dec. 31, 1948.
Nos. 47-129 to 47-142 inc., due Dec. 31, 1947.
Nos. 46-115 to 46-128 inc., due Dec. 31, 1946.

Such call for redemption is in accordance with the terms of said Debentures.

The said Debentures are redeemable and will be redeemed at face value and accrued interest on June 29, 1946 at the following places:

The main office of the Imperial Bank of Canada in any of the City of Brandon, Manitoba; Toronto, Ontario; Montreal, Quebec; Winnipeg, Manitoba; or Vancouver, British Columbia, as provided for in said Debentures.

Funds for redemption will be provided at above-mentioned places and all interest will cease to accrue on or in respect to the said Debentures after date set for redemption, June 29, 1946.

Dated at the City of Brandon, Manitoba, this 14th day of May, 1946. Signed on behalf of the School, District of Brandon, No. 129.

GEO. A. FITTON, Chairman
F. A. WOOD, Secretary-treasurer

Eastern Money Sought For Alberta Coal

MONTREAL (Staff)—Public offering of $4 millions of 15-year convertible bonds with a bonus of common stock is expected to be made early this summer to open up and develop coal properties of the Ford Highwood Collieries Ltd., 60 miles southwest of Calgary, The Financial Post is informed. This will be the first large-scale new enterprise capital raised in Canada since the war.

Initial production at these coal properties is expected to total 2,000 tons a day with shipments to commence next winter. Part of the bond proceeds will be used to build a railroad from the mine 42 miles west to Okotoks, Alta., where connections will be made with the CPR and the CNR. Balance of the funds (approximately $3 millions) will be used to develop the property and to provide $1 million of working capital, The Post is informed.

The company has already been granted an Ontario charter which has been registered in Alberta, while the railroad, which is to be controlled by the coal company, has an Alberta charter. It is also understood that Ottawa has granted the company a $2.50 per ton coal subvention for eastern shipments, the regular subvention given western coal.

Arrangements have already been made, The Post is advised, with large distributors in Ontario and in the Montreal-Ottawa district for the distribution of over one million tons a year, when production at that rate is achieved. It is also expected that Manitoba and the Prairie Provinces will be potentially large markets.

Coal properties involved have been known for some years, but only recently have they been examined completely and the several properties assembled into one large block sufficient to base substantial operations, aiming at a production eventually of five million tons a year, The Post is informed.

It is understood that the issue will be sponsored by R. O. Sweezey of Montreal in association with a group of eastern Canadians.

Present crisis in the coal situation in North America lends importance to this proposed development, particularly as the company proposes to supply smokeless anthracite coal. At the present time Canadian importations of coal amount to 25 million tons a year with Canadian production about 17 million tons.

Plan 12-Story Building For Shawinigan Group

Shawinigan Water and Power Co., its subsidiary and associated companies including Shawinigan Chemicals Ltd., Shawinigan Engineering Co., and Canadian Resins and Chemicals Ltd., will be housed in 1948 in a new 12-story office building on the southwest corner of Dorchester St. and Beaver Hall Hill, Montreal, opposite the C.I.L. House. With exception of the ground floor, all space will be occupied by the parent company, its associated and subsidiary companies, James Wilson, Shawinigan president, said The exterior will be of cut stone with a granite base. Wreckers will soon start demolishing a row of 100-year-old houses on the west side of Beaver Hall Hill. Area to be covered will be one-half block between Dorchester and Belmont St., extending west to the lane between Beaver Hall Hill and Union Ave.

Arbitration on MLPH Is Unlikely Ere October

MONTREAL (Staff)—Shareholders of Montreal, Light Heat & Power Cons. will probably have to wait another five months before they can tell just what value their common stock will have. Arbitration proceedings are not likely to start before October at the earliest because of specific delays in the bill, a Montreal Light, Heat & Power spokesman told The Financial Post.

Immediate step planned by the three companies involved, following a meeting this week of the Montreal Light, Heat & Power board, is to hold shareholders' meetings at staggered hours on June 20, when last week's Quebec Hydro offer will be considered. If the offer is refused—as is believed certain—the question of a valuation for the expropriated assets will be placed before the arbitration tribunal.

Under the Quebec Hydro offer, the expropriated assets of MLH & P Consol. and Montreal Island Power have no value whatever to shareholders. In fact the companies would have to make good to the commission the sum of $30.3 millions, the difference between the mortgage debt of the two companies and the valuation placed by the commission on their operating assets.

On top of this, Montreal Power would lose $7.1 millions on the Beauharnois expropriation, that being the gap between Hydro's bid and the outstanding Beau obligations, all of which are held by Montreal Power. Beauharnois stock, of course, would have no value under the Hydro terms.

As near as can be estimated, the Hydro offer would leave Montreal Power stock with a book value of $14 to $16 a share.

Ball-point Pens Still Coming Sheaffer is Newest in Field

Canadian fountain pen dealers—and users—who have watched trade patterns in this country follow almost exactly in paths blazed by the U. S. market, find no reason to amend earlier predictions of super-competition before the year end (The Financial Post, March 30).

While Reynolds International Pen Co. is still the only manufacturer in the Canadian field to offer a ball-bearing fountain pen, four pens of this type are on U. S. counters and two more are scheduled for this fall.

The U. S. field now includes: Reynolds, with a new "400" model retailing at $12.50; Eversharp, Inc. offering its "CA Repeater" at $15; Ball Pen Co.'s "Blythe" at $9.95 and $12.50 and S. Buchsbaum & Co., "Style King" at $12.50.

W. A. Sheaffer Pen Co. has begun production of the "Stratowriter," tentatively priced at $15, but reports U. S. dealers will not receive shipments until the last quarter of the year.

Sheaffer's Stratowriter offers most of the features claimed by other ball-point pen makers, with something new in the fact that each refill ink cartridge includes a new writing point. Sheaffer officials believe paper has an abrasive effect on the point, and so provide a new ball-bearing assembly to go with each refill.

At the same time it is reported that L. E. Waterman Co., whose "Taperite" pen, a conventional model, is its most recent offering, is now completing patent research and will enter the ball-bearing pen field this summer. Unconfirmed reports also have it that the Parker Fountain Pen Co. is developing a ball-point entrant for next fall.

Just as Reynolds followed its U. S. debut with a Canadian-made model and Eversharp has announced Canadian production of the CA Repeater, Sheaffer and Waterman are expected to bring their newest products into the Canadian market as soon as they have established themselves on the home front.

Can. Ind. Alcohol Spurts Forward

Canadian Industrial Alcohol "A" stock was one of the biggest market features of the week with a $3¾ jump to well over $20 a share. Volume was heaviest for many months with a 42,066 share turnover for the week.

Sudden market interest, coinciding with an appreciable gain in Hiram Walker's common, is attributed in financial circles, to a reported but unconfirmed 5-for-1 stock split for Walker's and a subsequent share-for-share offering of new stock to Canadian Industrial Alcohol "A" and "B" stockholders. If rumor became fact, Canadian Industrial Alcohol shares would be worth $30 a share on the present $150 a share price basis of Walker's. The narrowing price spread between the Alcohol "A" and "B" was regarded as support for the rumor. Early in the week, the gap had been narrowed to $2 from the traditional margin of around $4.

As at May 31, 1944, Hiram Walker-Gooderham & Worts Ltd., and its subsidiary Hiram Walker & Sons Ltd., between them held 53.10% of the class "A" shares and Hiram Walker & Sons held 36.7% of the class "B" shares.

The street reports that the late Harry Hatch, Chairman and President of Hiram Walker-Gooderham & Worts had not favored a stock split of the common shares. The likelihood of a move of this kind is much greater now, it is said.

Wait for Site Approval Delays Halifax Housing

From Our Own Correspondent

HALIFAX—Housing Enterprises of Canada projects here are held up pending selection and approval of several of six locations being studied. When the original project—400 apartments in one development on the empty Common near Capital Hill—recently got a six-months hoist in the Legislature, Housing Enterprises agreed to divide its scheme into 100-unit projects on several sites.

Objection by ratepayers carried considerable weight in rejection of the original location. Now protests have been made also over one of the most likely alternative locations, in the city's south end. City Council is trying to find others and negotiations are proceeding with War Assets Corp. for a property used in wartime as HMCS Peregrine. But quick action isn't expected and the housing shortage meanwhile continues critical.

Preliminary Eldorado Hearing To Be in Camera, Court Rules

Over protests of accused in the "Eldorado" case Magistrate Bigelow ruled Thursday last that the Toronto preliminary hearing be held in closed court.

The previous week, J. J. Robinette, K.C., special Crown prosecutor, read an affidavit of Hon. C. D. Howe, Reconstruction Minister, in the application for hearing in camera. Referring to Eldorado as the only producer in Canada of uranium and radium products, used in connection with atomic energy, the affidavit urged it was not in the public interest that witnesses, including U. S. army engineers, be questioned in open court. Counsel for Carl French, Marcel Pochon, and Boris Pregel, opposed the application.

Charges of conspiring to defraud the Eldorado Co. of radium and its products have been mistakenly linked with the spy probe in the past, defense counsel submitted. Inability of the accused to defend themselves adequately under secrecy bans imposed in Canada and U. S. was also protested.

"This story should be told fully and in detail," counsel stated.

The magistrate remarked that the Crown should be better able to develop its case in closed proceedings.

Attempts to fix a date for the hearing led to some disagreement. Defense counsel thought the Crown could do more to raise the secrecy ban, particularly with Canadian authorities. Agreeing to adjournment for two weeks to enable further consideration, Mr. Robinette assured "something has been done on the Canadian angle, and we may expect some development in the next week."

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WANTED

Good type wholesale or retail business with large turnover, one that has shown profits before and during the war and has prospects for expansion. Business must have record of sound net profits during past. If business suitable will be interested in purchasing outright.

Box 119, The Financial Post, Toronto, Ont.

Alarm Clock Gun Would Save Fruit

Harper Secord, Niagara Peninsula fruit grower, has posed a challenge to Canadian inventors.

The fruit-growing industry, he writes to The Financial Post, needs a device such as "an alarm-clock gun" to drive off birds and protect the crops. He invites someone to devise such a gadget.

"Birds destroy about 15% of the cherry crop yearly," Mr. Secord writes. "In 1945, when the crop was only about 25% of normal, little was left for the consuming public.

"Grapes are also much reduced in tonnage by robins and starlings. A device on the alarm clock principle, firing blank cartridges and requiring but infrequent winding and reloading, is desired. One to the acre in cherries and one to three or four acres in grapes should be effective. The inventor could also manufacture and sell the cartridges needed by his device. An invention of this kind would find a ready and general sale because those who did not use it would have all the birds."

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Experienced executive, shortly returning to Britain to establish business, will act as Buying Agent there for Canadian retail stores or as British Import and Sales Agent for one or two Canadian organizations. At present and for past 20 years employed in responsible positions with one of Canada's leading dept. store organizations. Wide experience buying in Canada, U.S.A. and Europe; Management Eastern Buying Office; Department Store Merchandising; Management.

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The Financial Post, Toronto 2, Ont.

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Limited

Common Shares
(No par value)

PRICE — $5.00 per share

A copy of the official prospectus describing this issue will be gladly furnished upon request.

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LIMITED
Huron & Erie Bldg., London. Dominion Bank Bldg., Toronto.

INVESTMENTS THIS WEEK

Higher U.S. Copper Price May Bring Boost Here

The proposed increase in the U.S. copper price from 12 cents to 14⅜ cents a pound (15.91 cents Canadian funds) will mean little direct extra revenue to Canadian copper producers due to the 4-cents-a-pound U.S. tariff, The Financial Post is informed.

But Canadian metal producers feel that this increase will strengthen their own case for an increase in the Canadian domestic metal price structure, now the lowest in the world. Canadian copper, sold at home, now brings only 11½ cents a pound; zinc 5 cents against 8¼ cents U.S. (over 9 cents Canadian); lead 5.15 cents against 6.6 cents (7.26 cents Canadian).

Canadian producers say they are being forced to subsidize consumers. It has been indicated that some change in prices can be anticipated but perhaps not immediately.

Copper producers particularly would benefit from any increase in prices. Fabricators, expecting an increase in copper price, have been anticipating requirements and building up inventories despite WPTB policing. One fabricator reportedly placed orders to cover his requirements for three years. Domestic demand now takes three times as much of the copper output as it did before the war. In fact, bulk of Canada's copper production is being marketed at home and the companies are obtaining little advantage from buoyant world markets.

An increase of even a cent a pound, would boost Canada's revenue from copper production by nearly 10%, and prove a great boon to Canadian copper producers. With operating costs higher every month, the average Canadian copper company has found its profit margin endangered at a time when work is just getting well started on postwar rehabilitation.

Recent statements of International Nickel Co. of Canada and Noranda Mines have shown earnings much lower than for an extended period before the war. Since copper producers agreed to sell their entire output at pre-war prices when war broke out, they would appear to have a much stronger case for consideration now than many other producers of raw material.

* * *

Say Canadian Cottons Com. Strong on Improved Earnings

One explanation of the rise in Canadian Cottons common to an all-time high of $46 a share this year is seen in the 29.5% rise in earnings per share ($3.69 against $2.85 for the year ending Mar. 31, 1945). This increase, however, was due to lower depreciation and tax reserves as net earnings were down 3.2%.

Another reason has been payment of two quarterly dividends of 45 cents a share this year, which investors are taking to mean an increase in the annual rate from $1.20 to $1.80 a share. On the new rate, the stock would yield 3.92% at a price of $46.

The position of Canadian Cottons, and of all primary cotton manufacturers, is not clear, analysts point out. The industry receives a subsidy to permit it to sell at fixed prices. On Mar. 1, this was reduced and compensating increases were permitted in ceiling prices. Until price ceilings and the subsidy are removed, no true evaluation of the company's earning power is possible, analysts feel.

This is said reflected in the price of the stock which is selling only 12.5 times 1945-46 earnings—considered a low ratio in the present market.

* * *

Great Lakes Paper Stocks Seen Selling Out of Line

Following publication of the reorganization plan of Great Lakes Paper Co. last week, both preferred and common stock sold off—the former losing $2¼ a share to $61¼, the latter $4¾ to $28. Greater drop in the common is attributed to a readjustment of the prices of these stocks in line with their prospects under the plan.

As suggested in The Financial Post last week, the plan wipes out preferred dividend arrears and raises the Class A preferred rate to $2.50 cumulative from Jan. 1, 1946, which is divided into $1.20 initial rate and $1.30 additional. Class B preferred are given the right equally with the "A," to a $1.20 preferred dividend. The A preferred will also participate equally with the common.

On this basis Great Lakes Paper "A" preferred should sell for $50 a share higher than the common, analysts argue. (Based on valuing the $2.50 rate at 5%). Although earnings of $2.50 a share are estimated, common shareholders are unlikely to receive more than $1 a share, especially as there will be serial bonds to retire, it is felt. Further, there is no indication of when a common dividend may be declared.

At $63 a share, the A preferred would return 3.97% on a $2.50 dividend or 5.55% on a $3.50 dividend. But at $29 the common only returns 3.45% if a $1 dividend is paid. In view of this, switching from the common to the preferred seems justified to analysts.

The plan is expected to be approved by shareholders at their meeting on June 13, especially as directors recommend it.

* * *

Say Optimism Carried Lowney Stock Too High

Recent weakness in Walter M. Lowney Co.'s common is said to reflect realization that it was selling out of line with earnings and dividend possibilities, investment circles say. Following announcement of a 10% increase in the sugar quota for industrial users, the stock sold up to $15 a share, at the end of March. Now it is back to its 1946 low of $13½ a share.

Factors pointed out include that at $15 a share Lowney's common only yielded 3.33% on the 50c. annual dividend; with earnings of 64c. excluding or 78c. including refundable EPT, reported for 1945, it did not appear as though the dividend rate might be increased this year; a 10% increase in the sugar quota might balance the loss of war business, for which special sugar was allotted.

At its current price, Lowney's common is selling at 14.7 times 1946 earnings of 92c. a share estimated from 1945 operations with 1946 tax changes, and at 17.3 times its total 1945 earnings.

C. D. MALLORY

has been appointed director of the Industrial Development Division of the Dominion Dept. of Trade & Commerce.

* * *

Good Earnings Prospects Seen For Montreal Loco.

One reason for the rapid jump of Montreal Locomotive common from its $16½ issue price to over $21 a share is seen in its earning possibilities for 1946, financial circles feel.

The company has stated that it has orders on hand to keep operating at capacity in 1946, and estimates that based on present costs, net profit for this fiscal year after provision for depreciation and taxes "should be in excess of $1.5 millions," equivalent to $2.14 a share. Based on 1945 earnings of 52c. excluding or $2.57 a common share including refundable EPT, and allowing for 1946 tax rates, earnings of $4.62 a common share could be shown, some investors state. However, the company's estimate allows for present estimated costs, and costs have been rising. On the company's estimate, the common is currently only selling about 10 times its estimated 1946 earnings.

* * *

Another formerly privately owned company—E. B. Eddy Co.—is reported likely to make a public offering of securities shortly. Offering of both bonds and preferred stock is said under discussion.

Up to now, Eddy's had been completely owned by Willard Garfield Weston, who bought Viscount Bennett's stock early in 1943, Gatineau Power's 49% interest later that year.

Dryden Paper Co. To Refund Debt

MONTREAL (Staff) — Dryden Paper Co. shareholders this week authorized the company to issue $3 millions in 4% first mortgage Canadian-pay bonds. Of this the company proposes to issue $1.5 millions, proceeds to be used to retire bank loans and to redeem outstanding 6% bonds now payable in either U. S. or Canadian funds at the holder's option.

Dryden's bank loans totalled $577,000 and there were $835,000 in bonds outstanding at the end of last year. Annual interest charges on present bonds and bank loans amount to $81,675; on the new issue they will be $60.000, an indicated annual saving of $21,675. This amounts to 14 cents on each share of common (1945 earnings, 13 cents, 1944 earnings 57 cents).

Paper Mills Can't Meet Demand for Coated Stock

Canadian magazine publishers will not be able to increase their circulations to match a growing demand until Canadian paper companies have stepped up production of magazine paper beyond any programs announced to date, Floyd S. Chalmers, executive vice-president of the Maclean-Hunter Publishing Company Limited, predicted last week.

Speaking to the annual meeting of the Periodical Press Association, Mr. Chalmers reviewed the current shortage of fine paper in conjunction with the present and future circulation picture in the periodical publishing industry. He said there were three reasons why a considerable increase in fine paper production will be necessary to ease the present shortage condition. They were:

1. Most publications have returned to pre-war paper weights and finishes. This means they require more tons of coated paper to produce the same "yardage." Consequently increased production to date has not taken care of either higher circulations or heavier schedules of advertising.

2. The real extent of the paper shortage has been concealed to some extent by the shortage of printing equipment and printing labor. As new presses become available, the demand for coated paper will increase rapidly.

3. Demand for Canadian publications has been growing and will continue to grow. In addition to greater readership in the domestic market, Canadian periodicals are meeting a growing international demand.

Circulation Growing

Mr. Chalmers pointed out that periodical criculations in Canada are approximately one copy for each two inhabitants, as compared to a rate about double that in the United States. Slightly more than half of all periodicals circulated in Canada come from outside the country. He predicted, however, that "within a year or two" Canadian periodical circulation will exceed that of imported periodicals and, from then on, gain a wide margin.

With all these influences at work, creating a growing demand for Canadian paper, he said, current plans for increased paper production were still short of expected need.

"There is not in Canada at the present time," Mr. Chalmers declared, "nor is there definitely in sight, capacity for the production of fine paper up to the probable longer term requirements of the magazines, the business newspapers and those of the agricultural papers that are printed on fine paper."

Mill Increases Capacity

Examining the steps now being taken by paper mills to supply increased output required, he revealed that Provincial Paper Mills has increased its coating capacity at Georgetown, Ont., by some 3,000 tons a year. The mill, he said, could not take full advantage of this increased capacity until it received adequate supplies of suitable stock for coating, but it had helped to ease the 1946 shortage by making available a supply of coated groundwood paper.

The same mill is installing facilities at its Port Arthur plant to make machine-coated stock. The effect of the development, Mr. Chalmers said, will be to improve the grade of paper produced at the Port Arthur mill, rather than to increase the yardage. Capacity of the new machine is expected to be about 25,000 tons a year, of which 15,000 tons will be coated paper and the balance other grades. As demand grows, he suggested, the 10,000 tons can be converted to coated stock.

No plans of other paper mills, which might add to the potential supply of book paper, have been announced.

Shawinigan Planning $18 Millions Issue

MONTREAL (Staff)—Shawinigan Water & Power Co. expects approval from the Quebec Electricity Board for permission to create and issue $18 millions first mortgage collateral trust bonds series N 3% maturing May 15, 1971. Of this amount, $10 millions are to be sold initially, proceeds to provide for capital expenditures made and to be made by the company. It is understood part will be used at Shawinigan Falls, heart of the Shawinigan system.

Paton Manufacturing To Refund 4½% Bonds

MONTREAL (Staff)—Subject to directors' approval, expected this week Paton Manufacturing Co. will retire on Sept. 1 $553,000 presently outstanding 4½% first mortgage bonds. For this and other corporate purposes it is expected Wood, Gundy will sell $750,000 1st mortgage 3½% 20-year s.f. bonds at a price to yield 3¼%.

CANADIAN GOVERNMENT
SECURITIES

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WE CAN SELL YOUR PRODUCT IN BRITISH COLUMBIA

We are interested in jobbing or wholesaling products of proven acceptance in the Canadian market. If you have such a product and are desirous of obtaining aggressive representation in British Columbia by a firm of substantial financial standing and integrity please give full details in confidence to Box 95, The Financial Post, Toronto.

NEW ISSUE

The shares referred to herein are being offered in Canada but not in the United States of America. This advertisement is not, and under no circumstances is to be construed as, an offering of such shares for sale in the United States of America or the territories or possessions thereof or an offering to any resident thereof or a solicitation therein of an offer to buy any of such shares.

A copy of the Circular has been filed with the Registrar of Companies for the Province of British Columbia.

1,500,000 Common Shares
(No Par Value)

British Columbia Forest Products Limited
(Incorporated under the laws of the Province of British Columbia)

Transfer Agents and Registrars.
The London and Western Trusts Company Limited, Vancouver.
National Trust Company Limited, Toronto and Montreal.

CAPITALIZATION
(Upon completion of present financing)

		Authorized	Issued
First Mortgage Bonds		$10,000,000	
Serial 2¾% Bonds Series "A" maturing 1947 to 1954 inclusive	$2,500,000		
Twenty-year 4% Bonds Series "A" due 1966	3,500,000		$6,000,000
Common Shares (No par value)		2,500,000 shs.	2,000,000 shs.

The Company will apply for listing of these Common Shares on the Vancouver, Toronto, and Montreal Stock Exchanges.

We offer, as principals, these Common Shares, if, as and when issued by British Columbia Forest Products Limited and accepted by us, subject to prior sale and change in price, and subject to approval of all legal details by our Counsel, J. S. D. Tory, K.C., Toronto, and by Messrs. Lawson and Lundell, Vancouver, Counsel for the Company.

The right is reserved to reject any application or to allot a smaller number of shares than that applied for.

PRICE: $5.00 per Share

It is expected that interim certificates or interim share warrants will be available on or about May 31, 1946. These interims will be exchangeable for definitive certificates or warrants when available.

A copy of the Circular will be promptly furnished upon request.

W. C. Pitfield & Company Limited
Midland Securities Limited
O'Brien & Williams
A. E. Jukes & Co. Limited
T. M. Bell & Company Limited
René-T. Leclerc Incorporée
Guildhall Securities Ltd
Lauder Mercer & Company Ltd
Harrison & Company Limited
Savard, Hodgson & Co. Inc
Pemberton & Son Vancouver Limited
Moss, Lawson & Company
Société Générale de Finance Inc
Fairbanks, Kirby & Co. Ltd
Burns Bros. & Denton Limited
Collier, Norris & Quinlan Limited
The Western City Company Limited
F. J. Brennan & Company Limited
H. J. Bird & Company
Ross Whittall Limited
Carlile & McCarthy Ltd

The statements contained herein are based upon information which we believe to be reliable but are in no event to be construed as representations by us.

May 22, 1946.

NEW ISSUE

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A copy of the Circular has been filed with the Registrar of Companies for the Province of British Columbia.

$6,000,000
British Columbia Forest Products Limited
(Incorporated under the laws of the Province of British Columbia)

FIRST MORTGAGE BONDS
$2,500,000 Serial 2¾% Bonds, Series "A"
$3,500,000 Twenty-year 4% Bonds, Series "A"

To be dated May 31, 1946. To mature May 31, 1947-54 and 1966.

Principal and half-yearly interest (May 31 and November 30) and premium if any payable in lawful money of Canada at any office of the Company's bankers in Canada. Serial Bonds in authorized multiples of $1000. Twenty-year 4% Bonds in coupon form in denominations of $500 and $1000, registerable as to principal only. Redeemable in whole at any time or from time to time in part in order of maturity at the option of the Company prior to maturity on thirty days' notice at 101 for the Serial Bonds; the Twenty-year 4% Bonds to be redeemable at 102 if redeemed prior to May 31, 1957; at 101 if redeemed on or after such date and prior to May 31, 1962; at 100 if redeemed on or after such latter date; in each case with accrued interest to date of redemption. Commencing May 31, 1955, there will be provided for the Twenty-year 4% Bonds an annual sinking fund amounting to $250,000 per annum.

Trustee: The London and Western Trusts Company Limited.

In the opinion of Counsel, these Bonds will be investments in which The Canadian and British Insurance Companies Act, 1932, as amended states that Companies registered under it may invest their funds.

CAPITALIZATION
(Upon completion of present financing)

		Authorized	Issued
First Mortgage Bonds		$10,000,000	
Serial 2¾% Bonds Series "A" maturing 1947 to 1954 inclusive	$2,500,000		
Twenty-year 4% Bonds Series "A" due 1966	3,500,000		$6,000,000
Common Shares (No par value)		2,500,000 shs.	2,000,000 shs.

We offer, as principals, these Twenty-year 4% Bonds subject to prior sale and change in price, if, as and when issued and accepted by us and subject to the approval of our Counsel, J. S. D. Tory, K.C., Toronto, and of the Company's Counsel, Messrs. Lawson and Lundell, Vancouver, on whose report as to title our Counsel will rely.

Price: 100 and accrued interest, to yield 4%

It is expected that Trustee's Interim Certificates will be available for delivery on or about May 31, 1946.

A copy of the Circular will be promptly furnished upon request.

W. C. Pitfield & Company Limited
Midland Securities Limited
Pemberton & Son Vancouver Limited
Société Générale de Finance Inc
T. M. Bell & Company Limited
Lauder Mercer & Company Ltd
Harrison & Company Limited
Collier, Norris & Quinlan Limited
The Western City Company Limited
A. E. Jukes & Co. Limited
Carlile & McCarthy Ltd
Burns Bros. & Denton Limited
René-T. Leclerc Incorporée
Savard, Hodgson & Co. Inc
F. J. Brennan & Company Limited
H. J. Bird & Company

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May 22, 1946.

The Editorial Page

Now Time to Drop Subsidies

There has been an outburst from consumer and other organizations over the dropping of the milk subsidy. But if the consequent substantial saving to the Dominion Government, about $20 millions annually, is passed along to taxpayers there seems little ground for criticism.

It was never intended that these various wartime food subsidies should become permanent, and now that the war is over the sooner we are able to get away from them the better. For the people at large they represented no real saving. Ottawa simply took a portion of the taxes it collected from all the people and handed them over to importers or producers as part payment for certain goods handled.

For an average householder the 2-cent per quart milk subsidy meant a saving of about $20 on his annual milk bill, but the Government had to collect at least the same amount from him in taxes to pay the subsidy. Indeed, on the sound theory that the more transactions are involved the higher the cost, it is very likely that to pay out $20 in actual subsidy the Government had to collect considerably more.

And about the whole business of subsidies there were lots of complications, mostly unforeseen, that we can well afford to see go. In top place was the general confusion about real prices. Freight assistance on feeds and fertilizer, various bonuses on complementary or competitive lines, and plain red tape so bedevilled the whole farm picture that there were few if any experts who could figure the exact cost or even market value of any given product. In the old days a farmer knew exactly what a bushel of grain was worth, or a hog or a can of milk. Today that is well nigh impossible. Market quotations are almost meaningless. There is a domestic price for wheat and an export price. The old relationship between the price of cheese, butter and fluid milk has been upset and so has the normal division in the flow of raw milk into these separate dairy channels.

With the latter group the result has been a national headache. The low subsidized price of fluid milk (the kind that comes in bottles) has so stimulated consumption that the other channels leading to cheese and butter—especally the latter—have been starved, and the cost to the taxpayer has been far greater than anticipated.

In most lines the wartime subsidies have served their purpose. Needed production has been stimulated and others not so vitally needed have been discouraged. But this practice can be dangerous and costly if carried too far. Eventually we might find ourselves faced with staggering bills for subsidizing production that the market cannot easily absorb. True the world is short of food today but the situation will be vastly changed tomorrow and farming is a long-range proposition.

If we are ever to get back to normal business and the natural law of supply and demand functioning again, the Government must rid itself of these subsidies. With prices and market firm, and reasonable general prosperity, it can start to do so now with a minimum of confusion and hardship.

At Least It's a Move

Premier Maurice Duplessis is to be commended, not on his offer for Montreal Light, Heat & Power properties, but for at last pointing a way for this whole question to be taken out of politics. It should have been divorced from the political question from the very start.

The offer itself is properly termed "fantastic" and "ridiculous" in investment circles. Beauharnois Light, Heat & Power shares would be worthless while Montreal Power and Montreal Island Power would owe the Quebec Hydro-Electric Commission money for taking over its properties.

But at least it is a move which starts the ball rolling. Shareholders now can see the road ahead. If they turn the offer down, as is generally expected, and as already recommended by the directors of the company, the question goes to the arbitration board. If the board cannot arrive at a satisfactory settlement, then it goes to the courts which, as Mr. Duplessis stated, is the final appeal. These bodies are non-political. Shareholders can thus look for a fair hearing and a reasonable settlement.

It is most unfortunate that this question was not submitted to arbitration in the first instance instead of after a wait of two years. During this period shareholders, many of them dependent upon investment income, have suffered a loss both of income and of capital. No doubt the province of Quebec has also suffered as new industries would be hesitant indeed about locating there after what has happened to Montreal Power.

This is a point for all governments to remember. Irrespective of the case for or against public ownership, if it is decided to expropriate or take over a business or property, it should be done in a fair and equitable manner with prompt settlement. Any other course will discourage enterprise in any form.

Morris W. Wilson

Canada has lost a great businessman and a fine citizen in the death of Morris W. Wilson, president of the Royal Bank of Canada and Chancellor of McGill University.

Mr. Wilson's private and public life should prove an inspiration to the youth of Canada for generations yet to come. Starting at the bottom rung of the ladder in his native Nova Scotia, he rose steadily to head a great bank. During the war he marshalled the financial and industrial strength of a peace-loving country as effectively, if less spectacularly, than the greatest military leaders in the field.

Work for Morris Wilson never stopped with office hours. He was an inveterate reader who vastly broadened his horizons through intensive home reading far into the night. What he learned in books he put immediately into practice. His pockets were filled with ideas or notes jotted down as he read. As well, he was extremely accessible; kept his desk and mind clear of routine so he could talk across the table with clients, critics and contemporaries. Thus he came to understand human nature as well as he understood banking. Morris Wilson might be alive today had he spared himself during the war or at any time. But it would not have been in character to have done so.

The Post is proud to associate itself with the press right across the Dominion in paying tribute to a great Canadian.

Opportunity for Paper Makers

There is not sufficient fine paper in Canada for magazine and business newspaper publishers nor is there sufficient in sight to meet contemplated and needed expansion. This is the conclusion of a special committee of the Periodical Press Association, set up to investigate supply. In his report to the PPA the chairman of that committee, Floyd S. Chalmers, executive vice-president of the Maclean-Hunter Publishing Co., urges Canadian paper companies to lift their sights.

Mr. Chalmers points out that per capita consumption of fine papers in the United States is almost double that of Canada and that it is not "unreasonable to expect that consumption in Canada will, over a period of years, attain a figure at least equal to the present American figure." Both the publishers and the paper manufacturers suffer because of the present limited production and consumption of fine paper in Canada, adds the report to the PPA.

Here would seem to be an opportunity ready and waiting for an important branch of our leading manufacturing industry. Its development would not only provide more employment and dollars but it would lend much desired diversion and stability.

Spurning the Customer

It is rude and inhospitable for a person to slam the door in a visitor's face. Further, it's plain bad business to shut a shop door in a customer's face. Yet, in effect, that's what the Ontario Department of Labor has done in acceding to the request of gasoline station operators in Windsor and Greater Toronto that their hours of sale be limited to the hours of daylight, with an extra special holiday on Sunday, normally a day of heavy driving.

The Industrial Standards Board has just announced that service stations shall henceforth limit their hours. Motorists running short of gas after 7.00 p.m. weekdays and 5.00 p.m. on Sundays are going to have to wait till next morning. Furthermore on Sundays, even between 10.00 a.m. and 5.00 p.m. only a relatively small proportion of stations will be allowed to stay open.

This is, ostensibly, giving the service station operators a break. But it is certainly no boon to the motorist, be he native or tourist. To the thousands of Ontarians who have a stake in the million-dollar tourist business of the province, it is definitely detrimental, especially if the idea spreads.

There are already several requests from service station operators in other municipalities to have this new ruling applied to them. Some of these are in parts of the province where tourist dollars are vital to the local economy. It is to be hoped that the Government will not extend this dubious advantage, but will wait and be guided by what may well prove the painful experience of Toronto and Windsor.

Let's Make It An Industry

This business of making visitors to the nation welcome and comfortable is frequently referred to as the "tourist industry"—sometimes it is dubbed, euphemistically, the "visitor industry"—but is it really an industry in Canada? Compared to a country like Switzerland, we have only scratched the surface.

In tiny Switzerland, entertaining foreign visitors is unquestionably an industry. There, in 1938, investment in tourism represented one-tenth of the country's total capital. Tourism brought one-seventh of total national revenue, one-fifth of total receipts of all railways. Forty-five per cent of all expenditures on food consumed in the country was paid by tourists. Upkeep of mountain roads in the 12 years ending with 1936 cost the Swiss government $20 millions in a country of only 16,000 sq. miles. There were, pre-war, 7,500 hotels, employing 120,000 persons, and with accommodation for 200,000 guests. In maintaining roads, accommodation, stocks of fish in mountain streams and lakes, and in keeping business-like records of these transactions, Swiss tourism demonstrates its right to be called an industry.

In Canada, where the Canadian Rockies alone supply enough Alpine country for 50 Switzerlands, it cannot be learned with any degree of accuracy how much accommodation is available for the tourist, how many dollars are invested in it, how many persons are employed. Provincial departments concerned don't know how many tourist stopping places are operating within their jurisdiction or what they are like, how much is invested in the "industry", how many owe their jobs directly to tourism.

Isn't it high time tourism was put on an organized business basis in this country, with adequate records from which to work? Let's make it into the industry it potentially is.

Engineers and the Civil Service

The average salary of all engineer graduates in Canada with 20 years' service is close to $5,000 a year. The average salary of government engineers with the same experience is $3,500. This sort of discrepancy, as the Engineering Institute of Canada points out to an investigating royal commission, is a direct invitation to disaster.

Present salary rates in the government service, says the Institute, will not secure or hold the best engineers, and some action must be taken quickly in order to stem the flow of technical personnel from public service to private industry.

The government service requires engineers and should have some of the best in the country on its payroll. The Department of Public Works has a $20 millions construction program in hand for 1946-47. On a program of that size a good engineer can save his employers enough money to make up for his salary several times over; a poor one may do just the opposite. Private industry has found it good economy to employ the best men and pay them top salaries. The government business is surely as important and economy in it is surely as vital as in any other industry.

Stop Me If —

Once, in front of a post office of a small village, a visitor saw the local patriarch sitting on a bench and whittling. A bystander informed him that the old fellow had passed his 100th birthday. Impressed, he exclaimed: "Isn't that amazing!"

"We don't see nothin' amazin' 'bout it 'round here," was the laconic reply. "All he's done is grown old, and took longer than most people would to do that!"

• • •

A parson had occasion to reprove a small boy for swearing.

"If you feel you must say something just say 'Bother!'" he said. "You father doesn't swear, does he?"

"Oh, no, sir!"

The parson became curious.

"Well, then; if he were working in the garden and suddenly stepped backwards on to a rake which flew up and hit him from behind, what would he say?"

"He'd say: 'You're back early, dear!'"

Post Scripts

Big Flour Salesman

After 25 years with Maple Leaf Milling Co., Clifford Edwin Soward resigned as executive vice-president this month to become general manager of the recently formed Renown Mills Ltd., Calgary, Alta.

MR. SOWARD

Quick, energetic and friendly, Cliff Soward was born in Minden, Ont., in 1900. After being educated at Minden, Peterborough and business college in Toronto, young Soward started as a junior with the old Western Canada Flour Mills Co. (now Purity Flour Mills Ltd.).

In 1920 he joined the sales department of Maple Leaf Milling and was soon put in the export end of the business. In 1925 he went to New York as assistant manager, and later manager, of Maple Leaf's office there. Soward was brought back to Toronto in 1930 as export manager and in 1932 became general sales manager for Maple Leaf. In these positions he made several trips to the United Kingdom and Europe. In 1939 he was elected a director, in 1943 appointed vice-president in charge of sales and in 1945 executive vice-president.

Now Soward is starting a new job with a new company but his past experience, particularly in the export flour field should stand him in good stead. Renown Mills, headed by R. J. Pinchin, was formed to take over the 2,500-barrel Calgary, Alta., flour mill of Spillers Ltd. (an English company) which has not operated since 1933. This mill was built originally to do an export business to the Orient and Renown Mills is expected to concentrate on this export business at the start, although it also expects to enter the domestic market.

Three years ago Soward was persuaded to start curling at the Toronto Granite Club and soon became enthusiastic. This year he was on three winning curling teams, winning the Waterloo Trophy in the British Consols Competition, the Ontario Colts Competition and Shannon Trophy, the Granite Club's top trophy.

In addition to curling Soward plays bridge and golf, being a director of York Downs Golf Club. He is active in debating, being a past president of the Ruskin Literary and Debating Society, in the Rotary Club and in Anglican church work at Grace Church on the Hill, Toronto.

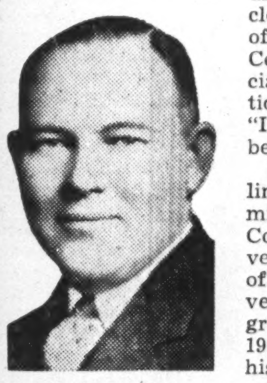
Soward was married in 1925 to Grace Hopgood of St. Catharines, Ont. They have one daughter and one son.

One brother, F. H. Soward, Professor of History at the University of British Columbia and a writer, has been on loan for special work to the Canadian Department of External Affairs. Another, R. H. Soward, is a member of the legal firm of McLaughlin, Johnston, Moorhead & Macaulay, and the third, H. G. Soward, is manager of the transfer department of the Chartered Trust & Executor Co.

• • •

To Sell Canada

One of these days world travellers as they stop off to see a fair or exposition in Amsterdam, Manchester, Rio or Sydney, will look up and see the word "Canada" in friendly greeting.



MR. BANNERMAN

The man responsible for that display will be Glenn Bannerman, whose appointment as Director of Exhibitions for the Department of Trade and Commerce has been announced.

Just prior to Great War II, there was nation-wide comment that Canada's fairs and exhibitions were still being conceived and executed in an atmosphere reminiscent of the dull Nineties. Stuffed animals, bottled fruits and grains and the stodgy bric-a-brac of a past age were generally featured. Some attempt was being made to break away from this about the time the New York World's Fair came along. Then the war intervened.

Now Glen Bannerman is going to have a chance to try his hand at modernizing Canada's trade and fair publicity.

Plump, affable and a convincing talker, Bannerman has been selling ever since he graduated from the University of Toronto in the twenties. For many years it was cars, then good will, now it will be Canada and Canadian products generally. For eight years he was advertising manager for Hudson Motors of Canada. More recently he has been president and general manager of the Canadian Association of Broadcasters. He is a past president of the Association of Canadian Advertisers.

• • •

To Superior Court

Newest addition to the Superior Court of the Province of Quebec, and its youngest member, is the Hon. Mr. Justice Frederick Thomas Collins, K.C., partner in the Montreal law firm of Heward, Holden, Hutchison, Cliff, Meredith and Collins. At 44 Collins decided, as a matter of duty, to accept this appointment even though it meant giving up a very large law practice, numerous directorates and many other business and financial connections.

MR. COLLINS

Appointed by Canada's Minister of Justice, Collins will assume his new responsibilities as soon as he can clear his desk. He expects to take office officially in September. Fred Collins is willing to make the financial sacrifices which his new condition involves because, as he puts it: "I am prepared to work for the well-being of my fellow men."

Born in London, Ont., in 1901, Collins attended primary school there, migrated to Toronto's St. Michaels College and graduated from the University of Toronto in 1921. In the fall of that year he went to McGill University's School of Law where he was graduated with first class honors in 1924. Since then Montreal has been his home.

His association with the firm of Heward and Holden dates back to the time he was a student at McGill. Admitted to the Bar in 1924, when he led the province, Collins immediately became a member of the firm and in 1936 was admitted to partnership. In 1940, at the age of 38, he received a King's Counsellorship.

Because of his new appointment, Collins must shortly disengage himself from all his company directorships: from Crane Ltd., Warden King Ltd., Canadian Potteries Ltd., Provincial Transport Co., Northam Warren Ltd., Warren Industries Ltd., L'Onglex Co. Ltd., Glazo Co., the Conant Co. Ltd., and Commonwealth International Corporation Ltd. Perhaps the major outside business responsibility which he has had for some years has been as president of Montreal's Ritz Carlton Hotel, from which position he will now also retire.

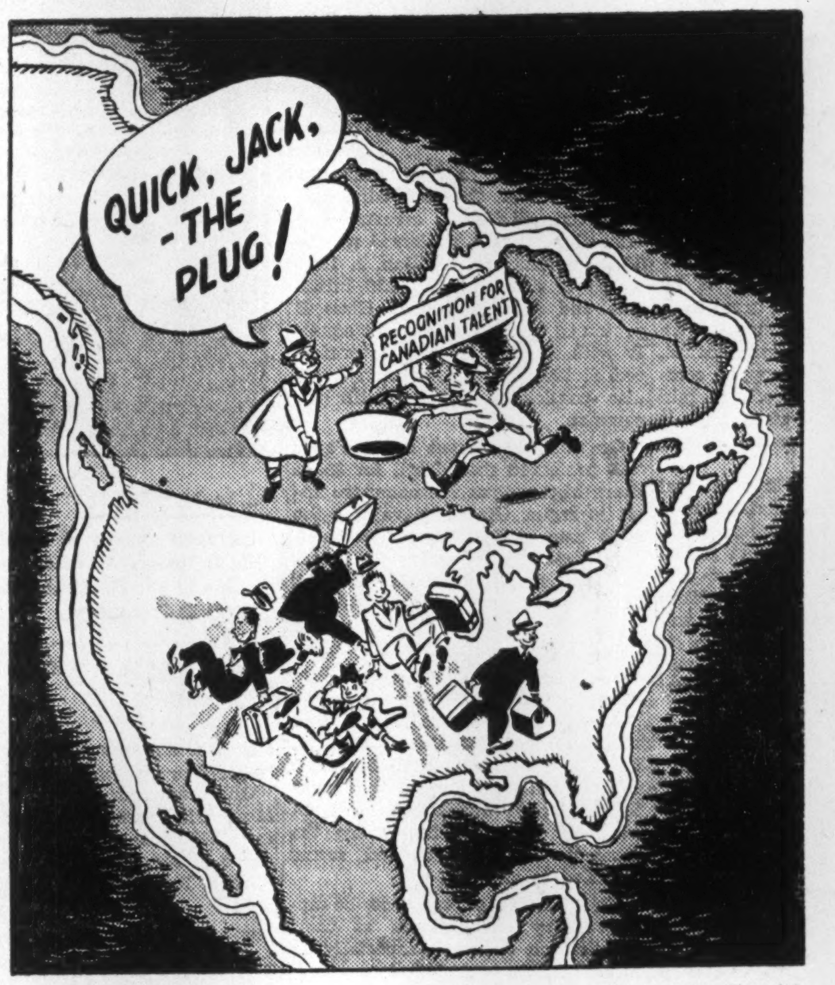
The new judge has long been identified actively with Irish Catholic religious and social affairs in Montreal. He will continue as Governor of Catholic High School, and as senior warden of Westmount's Church of the Ascension. As past president of Montreal's St. Patrick Society, and in his close associationship with Catholic welfare work in the city of Montreal, he will bring into his new judgeship those qualities of broad social conscience and humanitarianism which one normally associates with the public servant.

Montreal's business and legal community are agreed that the law courts will lose one of their younger and abler lawyers. His conciliatory nature stood him in good stead on many occasions in recent years when he represented several companies including the CPR and CNR in important war labor disputes. For years he was actively engaged in pleading in the various courts of Quebec and Canada and in the last ten years he has devoted himself to company, bank, taxation, commercial and labor relations' practice.

Because he felt he was not fully occupied, Collins returned to his alma mater, McGill, in 1940-41 as lecturer in Banking and Bills of Exchange in the Faculty of Law. He has written many articles on legal subjects.

In Sept., 1939, the new judge married Irene Mulcair and has three children, two girls and a boy. Perhaps because his business affairs have taken up so much of his time, he is not a "club man," restricting such affiliations to the University Club and the Canadian Club. He admits that the pressure of business, and the responsibilities he has as a father of three active youngsters, have been such as to limit his outside social connections.

Other than his family, his hobbies consist of reading, principally history and biographies, and travelling. Prewar he travelled by car extensively. He has visited Europe on several occasions, has travelled throughout Canada and has missed few, if any states in the U. S. Perhaps he inherited his love of travel from his father, Thomas J. Collins, retired CPR official.



—Cartoon by Grassick.

A COSTLY LEAK

Jobs, Goods and Advertising

Advertising Agencies' Role in Widening Canada's Postwar Markets

From an address by Major James Baxter, president McKim Advertising Ltd., before the advertising extension course at McGill University in collaboration with the Advertising and Sales Executive's Club of Montreal.

"Canada's markets must grow. Canada's markets will grow—and the guiding, stimulating force which will expand them and make still further jobs and opportunities for Canadians will come from advertising working in concert with the Canadian producer and distributor of goods and services.

"Because production is the source from which all wealth springs, either directly or indirectly, its maintenance at the highest practicable level becomes the sine qua non for our whole recovery program. We must contrive to provide steady work for all Canadians willing and able to work, and do so at rates of pay that will permit decent standards of living. If production is to be continuous, it must be followed by continuous consumption. The technology of production is at this very moment gorged with new ideas. War-stimulated, they are waiting to flow into the marts of the world. The advertising agency is not going to answer all the questions, but, in concert with management it is going to make its very marked contribution. It is going to apply the vast accumulation of specialized services it has developed to the business of helping the enterprise of production to find ready, willing and anxious markets for the things it will produce."

Tracing the evolution of the advertising agency from its beginning as a medium between publisher and advertiser in the sale of space, Major Baxter described how the independent stream of advertisement creation finally merged with the space-brokerage agency in the early years of the present century, and the agency became a creative and energizing centre, drawing into its orbit a host of technical artisans in the production of effective advertising.

"It was this revolutionary change in the function and ability of the agency which has been in large measure responsible for the growth of many related commercial arts," he said. "It is a tribute to Canadian advertising agencies that they have been able to nourish the sources from which the practical tools of advertising have been fashioned. Let me cite you one recent instance: A Canadian agency sought through the brush of an artist to give life and form and color to varied phases of Canadian social and economic progress and had determined that, if possible, the work should be bought from a Canadian source. It was not only possible, it was successful. A further effort was made in connection with outdoor life and conservation. A considerable number of prominent Canadian artists and writers were thus encouraged in their work.

"The advertising agency of today is really not an agency at all in the strict sense of the term. It is still the representative of the publisher, the outdoor advertising craft, the creative printer and the radio station. It still sells the services of these varied media of advertising. But it is primarily the representative of the advertiser, owing its loyalty to the producer of the distributor of the goods and services for which it seeks a market. And in the exercise of this loyalty it has come to be not only the planner and creator of advertising material, but the consultant of the advertiser in the formulation of advertising and sales policy.

"Tomorrow's advertising will be based on an even more intensive understanding of markets and habits. It will be based on product research, on every development in production that can help to raise the already high Canadian standard of living. It may even, in time, be the means by which the peoples of the world are taught to live together—it can be, through the power of the modern advertising agency, the means by which we will discover how to make the world rich in all things both of matter and of the spirit."

What Others Are Saying

Editorial of the Week

Public is Aroused

Calgary Herald

Alarmed by the volume of public indignation over the collapse of the recent federal-provincial conference in Ottawa, most of the participants are now demanding a resumption of deliberations. They realize that the taxpaying public are resentful of the political jockeying displayed at the recent open discussions and demand definite agreements between the Dominion and the provinces.

So far as shown, consideration for hard-pressed taxpayers was the last concern of the political bargainers. This applies to the federal negotiators as to the provincial premiers. All were playing a selfish game with the taxpayer as the pawn. That is a game that can be played only so far before there is a popular insurrection. Whatever taxes are levied, they come out of the same pocketbooks, whether in Alberta or Nova Scotia.

Several negotiators were to blame for the recent breakdown. If there had been good-will displayed, there should be little trouble in reaching taxation agreements. The federal government must carry the major load in meeting expenditures, but all governments must cut their expenditures in the future. Spending on wartime scale simply is out of the question in the coming years.

Other People's Views

EASY ON THE BNA ACT warns the **Sherbrooke (Que.) Record.** "An amendment in the BNA today to reallocate seats in Parliament may well lead to an amendment tomorrow to curtail the taxing rights of the provinces—rights the Federal Government were unable to obtain in a round-table conference. Canada has developed through the years as a nation, until today she is a self-governing country, free to make her own decisions without any reference to any power outside the country. The right to nationhood has been earned and paid for in blood. All this has been done on the basic constitution as written down in the British North America Act. Any change should only be made after full discussion with all interested political administrations within the country, and with their full approval."

OUR EXPORT OF BRAINS to the United States is increasing, deplores the **Winnipeg Tribune** which calls for a national effort to induce our young people to stay in the Dominion. "As Canada turns from playing a noble part in a great war to the gigantic tasks of peace there is crying need in this Dominion for men and women of energy, of every talent and every ability. Canada now has the opportunity to offer prospects to fire the imaginations of even the boldest and most ambitious. It remains but to seize that opportunity."

CANADA NEEDS MORE PEOPLE, preferably British and French, maintains the **Vancouver Sun** and we "could get thousands of the best. But the government at Ottawa, which should have a cut-and-dried program, remains strangely silent. Official Ottawa is said to be more concerned at the moment with repatriation, rehabilitation and reconversion. Would it not be more sensible to consider immigration, rehabilitation and the rest as parts of one problem and try to draft an integrated policy for the long future of Canada?"

CANADA ATTRACTS AMERICAN CAPITAL because it has rich resources, many expect its dollar to go to par, and interest rates and labor conditions more satisfactory than in the U. S., states the **New York Journal of Commerce.** Pointing out that $225 millions of American capital flowed into the Dominion in 1945—a record for any year—the Journal comments: "The current flow of capital into Canada, and the consequent underlying strength of Dominion exchange, demonstrate anew that a country can attract capital from abroad readily through private channels, where relatively sound financial and economic policies are pursued."

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

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RONALD A. McEACHERN, Editor

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San Francisco: Duncan A. Scott & Co., Mills Bldg., Sutter 1393.
Los Angeles: Duncan A. Scott & Co., 448 South Hill St., Mich. 0921.

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Newfoundland Newsletter

Air Plan Backfires on Newfoundland Passengers Go West and Double Back

The agreement between the Canadian and Newfoundland Governments regarding the airports at Gander and Torbay, under which the Newfoundland Government resumes full control of the former airport upon payment to Canada of one million dollars, has received favorable comment from the Newfoundland point of view.

But since Newfoundland has not granted to American operators the Third and Fourth Freedoms, Newfoundland citizens wishing to fly by American aircraft to the United Kingdom, must go to Montreal or New York to emplane.

Passengers coming to Newfoundland, even though they land at Gander for refuelling, are not permitted to deplane, but must proceed to Montreal or New York and double back to St. John's by T.C.A. Newfoundland's transatlantic mails are subject to the same restrictions. It is understood that the Newfoundland Government has offered limited Third and Fourth Freedoms to American operators, but these have not yet been accepted.

Gander has been designated as Newfoundland's international airport, but some apprehension is felt as to whether the operation of this field may not be an unduly heavy strain on the financial resources of the country.

Agency Headache

St. John's businessmen are concerned over appointment by U. S. manufacturers, of Canadian agents whose jurisdiction extends to Newfoundland. Importers placing orders with American manufacturers are sometimes referred to the Canadian agent from whom they must purchase supplies. The Newfoundland importer may thus be obliged to pay the Canadian as well as Newfoundland Customs duties on the goods concerned, as well as the Canadian agent's profit. This procedure also precludes Newfoundland agents from representing certain U. S. lines in Newfoundland.

Apparently the appointment of Canadian agents for Newfoundland territory is followed by some American manufacturers in the belief that Newfoundland is a province of Canada.

Disarmament

Newfoundland's only military unit, the Newfoundland Regiment, has been disbanded. With the withdrawal of Canadian forces, the only men under arms in Newfoundland are those of a foreign though a friendly power—the United States.

Peak Revenues

The Finance Commissioner presented his Budget Speech and it contains few surprises. The total revenue for 1945 amounted to $33.4 million, highest in the country's history. Expenditure amounted to $29.1 millions leaving a surplus of $4.3 millions, an uncommon spectacle in these days of deficit financing. The total surplus accumulated since 1941 is now $28.7 millions.

Income of $30 millions is estimated for the fiscal year 1946-47 and Expenditure at $34 millions. Although it is possible that revenue may exceed the estimate, thus enabling the Budget to be balanced in 1946, the large estimated expenditure is not of a productive kind, with the possible exception of $1.6 millions to be spent on roads. Removal of the wartime customs surtax of 7½% was the only concession to Newfoundland's high cost of living.

Opinion Poll

The Act constituting the National Convention and defining its powers, has been published for comment. No date has been proclaimed for this historic meeting, which is being held to determine public opinion to the form of Newfoundland's future constitution, and to make recommendations to the British Government. The number of people who, within the time allotted, accepted the Government's usual invitation to comment on the Act, amounted to five. It is hoped that this is an indication of the excellence of government draftsmanship, and not a lack of public interest. So far as is known, eleven of the thirty-five districts entitled to elect representatives to the convention have to date nominated candidates.

Big Iron Order

The President of the Dominion Steel and Coal Corporation of Canada, Arthur Cross, accompanied by C. J. Burchell, K.C., one-time Canadian High Commissioner to Newfoundland, recently visited St. John's. Mr. Cross stated in a Press interview that a contract to supply 750,000 tons of iron ore from Bell Island in Conception Bay had been concluded with the United Kingdom, the prospect of continuous operations of the mines during 1946 are therefore bright.

C. E. Hunt, K.C., one of Newfoundland's leading lawyers, accepted an invitation during Mr. Cross's visit to become a Director of the Company. This is the first occasion on which a Newfoundland resident has been appointed to the Directorate of Dominion Steel, which has been operating in Newfoundland since 1895.

Want Trade Commissioners

Death of D. James Davies C.B.E., Newfoundland's only trade commissioner, has revived the question of trade representation. Mr. Davies headed the office in London in 1933 as acting High Commissioner, but after the suspension of Newfoundland's constitution his status became that of trade commissioner.

For some time the trade has been advocating the appointment of trade commissioners to Canada and the United States. The Canadian Trade Commissioner's office has impressed business people with the value of such an office.

Newfoundland has no Department of Trade & Commerce such as guides Canada's trade representatives in various countries, and the utility of the London office has been limited because of this. The constitution of such a Department would seem to be necessary before Newfoundland Trade Commissioners in Canada or the U. S. could function satisfactorily.

BUSINESS THIS WEEK

THE FINANCIAL POST	APR.	MAR.	FEB.	JAN.	Year Ago
PRODUCTION INDEX (1)	....	189.0	188.0	189.3	223.3
GOVERNMENT FINANCE (millions of $)					
■Dom. total revenue	156.2	....	190.3	233.5	150.4
■Dom. total expend.	122.2	....	218.0	231.6	162.2
MERCHANDISING					
Dept. store sales index no. (1)	....	222.3	162.1	137.0	200.5
Retail sales index no.	....	210.3	167.0	160.2	194.3
Wholesale sales index no.	....	234.2	210.4	217.1	201.4
Country store (% change pr. yr.)	....	....	+9.8	+9.1	....
FINANCE					
Dividend payment index (5)	144.2	142.7	141.4	140.3	140.0
Bank debits (1)	....	....	....	227.8	192.7
Bank deposits index (1)	....	250.2	249.4	255.0	215.5
Money supply (millions $)	....	....	....	705.9	607.5
NEWSPRINT % OF CAPACITY					
Production ratio	....	92.3	92.8	91.2	70.2
Shipment ratio	....	89.0	85.8	87.9	71.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S. index)	....	192.7	184.5	191.0	206.6
Cars (D.B.S. index)	....	150.1	147.0	156.3	149.6
COST OF LIVING					
D.B.S. index	120.8	120.1	119.9	119.9	118.7
EMPLOYMENT INDEX, D.B.S.					
All industries	....	166.9	167.2	168.2	178.2
Manufacturing	....	182.1	182.8	179.9	214.3
Payrolls (June 1/41=100) (2)	....	137.6	135.7	128.1	147.9

RAILWAYS—(000's omitted)	1946	1945	1946 Jan. 1 to date	1945 Jan. 1 to date	% Change
■Carloadings (week May 11)	68.5	58.9	1,258.4	1,256.2	+0.2
■C.P.R. gross rev. (May 14)	5,101	5,575	103,855	111,101	—6.5
C.N.R. gross rev (Mar.)	32,603	37,046	92,359	100,843	—8.4
C.N.R. net rev. (Mar.)	3,543	7,728	7,377	14,678	—49.8
C.P.R. gross revenue (Mar.)	26,254	26,383	71,161	73,632	—4.7
C.P.R. net revenue (Mar.)	1,699	2,604	4,277	6,016	—30.1
IRON AND STEEL (000's omitted) (Mar.)					
Pig iron production (tons)	158.0	165.8	444.9	471.3	—5.6
Steel production (tons)	241.1	277.5	727.6	796.6	—8.7
CONSTRUCTION (000's omitted)					
■Contracts awarded (Apr.) $	75,919	34,296	194,005	78,602	+146.8
Building permits (Mar.) $	35,734	12,783	67,567	25,401	+66.0
Cement prod., bbls. (Feb.)	273.4	194.4	583.9	366.4	+59.4
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Mar.)	2,393	1,161	17,527	16,495	+6.2
■Flour exp., bbls. (Apr.)	1,478	1,368	4,795	4,477	+7.1
■Wheat exp., bush. (Apr.)	13,443	15,452	53,924	38,065	+41.7
■Cattle sales (Apr.) (4)	112.3	118.3	515.7	543.4	—5.1
Hog sales (Apr.) (4)	397.8	538.1	1,718.8	2,504.2	—31.4
SEA FISHERIES (000's omitted)					
Catch, cwt. (Mar.)	448.8	277.5	1,285.3	1,814.8	—29.2
Landed value (Mar.) $	2,021	1,579	4,347	4,242	+2.5
NEWSPRINT (000's omitted)					
■Production, tons (Apr.)	338	245	1,309	1,014	+29.1
Exports, tons (Mar.)	320	267	922	716	+28.8
MINING AND OILS (000's omitted)					
Coal prod., tons (Apr.)	1,638.3	1,504.8	3,454.9	3,195.8	+8.1
Gold rec. (fine oz.) (Jan.)	248	233	248	233	+6.4
Petroleum prod. (brl.) (Feb.)	610.3	778.8	1,290.6	1,660.6	—22.3
ELECTRICAL POWER OUTPUT (000,000's omitted) (Mar.)					
Total monthly k.w.h.	3,537	3,587	10,149	10,134	+0.1
FOREIGN TRADE (thousands of $)					
Imports (Mar.)	139.9	132.5	397.3	374.5	+6.1
Exports (Mar.)	178.4	301.2	520.6	768.0	—29.6
FINANCE (millions of $)					
■Bank debits (Apr.)	5,775	4,855	22,780	19,688	+15.7
Bond sales (Mar.)	713.4	698.0	974.4	1,070.5	—9.0
Life insurance sales (Mar.)	101,992	54,413	271,561	152,127	+78.5
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (Feb.)	3.5	3.1	6.9	6.0	+15.0
■Cotton consump., lb. (Apr.)	13.9	13.2	57.4	56.8	+1.1
Cigarette cons. (no.) (Mar.)	967	1,088	3,563	3,338	+6.8

(1) Base period 1935-39=100.
(2) All industries
■New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, est.

To men who decide advertising policies

You are invited to consult me if you think it might be to your advantage to use my organization as your Advertising Counsellor or Agent. There *is* a great difference, you know, between the work of an Advertising Counsellor and that of an Agent.

The character of the firms with whom we work will commend itself to you. The effectiveness of the work is on record. Many clients have been with me for more than twenty-five years. The average length of association is sixteen years.

I do nothing for customers but advertise. That job is well done. Merchandising or sales research work is something better left to experts in those fields.

Each client is given the service to which his business entitles him . . . and sometimes a bit more. As a result, my clients maintain and increase their advertising from time to time. That is the real test of the value of our work.

I rarely recommend advertisers to indulge in transient or fantastic "schemes". Experience shows that all of such "schemes" peter out, leaving the advertiser poorer and wiser.

All accounts are collected and paid promptly. One client's money is not used to finance another's business.

I do not employ salesmen, but take my own medicine and *advertise for business* . . . and get it.

References: present clients, owners of advertising media and bankers.

To repeat: Your inquiry is invited—no obligation involved or implied. If my organization and I satisfy you, the association will be mutually pleasant.

Thornton Purkis
Advertising Counsellor and Agent

330 Bay St., Toronto Adelaide 3762

Want Student Builders To Put Up Real Houses

Vancouver's regional committee of the Dominion-Provincial vocational training program takes a leaf from the British youth training book; recommends to Ottawa that building trades apprentices build real houses for sale to vets, instead of mock houses to be torn down as soon as built.

Vancouver civic authorities promised to provide suitable building lots for such a project but building industry authorities thought the scheme had slight chance of adoption; labelled it costly, inefficient.

WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

New Radio Due in Fall

A 20-pound, aluminum-built portable radio, which will run 20 hours on a cent's worth of electricity is promised by Canadian General Electric next fall. Powered by a two-volt, leak-proof storage battery which can be quickly recharged by plugging into a standard AC house current, the new radio is to be built in two models, for standard broadcast reception and for standard plus five shortwave bands. Designed by GE in the U. S., the sets will sell there at $86.60 and $118.50 respectively. No price has been mentioned for Canadian counterparts.

* * *

Another Small Tractor

Allis-Chalmers will soon join the field of small tractor makers with a model designed, with companion implements, for farms of 50 or 75 acres. Price of the new unit, when production is under way, will be strongly competitive with other makes on the market. Allis-Chalmers engineers are also talking of a new one-man hay baler, a forage harvester which will cut either grass or corn ensilage, and a cotton picker.

* * *

A Scent a Swat

Latest thing in fly swatters is an all-plastic, colored model which emits a delicate perfume from vents in the handle as it is wielded. Put out originally by The Odor-Swat Co., Brockville, Ohio, "the only improved fly-swatter in the world," will soon be available in Canada.

* * *

Portable Power Tool

To do a variety of jobs—polishing, scraping, chamfering, filing, honing, burring, lapping, sawing, sanding—a new portable push-pull power tool has been brought out. Weighing 5 lb. and running from any 110 volt electric outlet, the tool develops a 30 to 40 lb. push-pull, delivers 1,000 strokes a minute. About a foot long, the tool comes with two lag screws by which it can be attached to a work bench.

* * *

Electronic Heat Sealing

Sealing plastic fabrics electronically is the thing of the future, according to Wiley D. Wenger, RCA commercial engineer. The process is already being used in fabricating dress shields, bathing caps, raincoats, shower curtains, and other thermoplastic products. Electronic heating gives a quick concentration of heat at the interface of two pieces of material, where it is wanted, and the degree and interval of heating can be closely controlled.

* * *

Hydraulics for Small Boats

A new hydraulic control by Ellinwood Industries, Los Angeles, gives to pleasure craft owners a means of shifting gear easily in any engine previously operated by manual, mechanical, vacuum, or electrical power. It is said to enable an operator to reverse gears in a 350 h.p. engine with two-finger pressure. Heart of the system is a power cylinder designed to couple directly to the reverse gear shifting lever and capable of exerting a thrust of 1,000 lb. through a six-inch stroke.

* * *

Sleepy Hollow Chairs

Canadian Pacific Railway's first big passenger equipment order since 1939 includes Sleepy Hollow Chairs for 35 new air-conditioned coaches, scheduled for delivery early in 1947. Chairs are built to give better weight distribution, better fit to body curves. Guiding designers were measurements of the "average railway passenger"—statistically boiled down from measurements of 3,867 volunteers. Footrests more comfortable for passengers who like to snooze in their stockinged feet are an added feature.

* * *

Leads World Shipbuilding

At the end of March reports showed United Kingdom merchant vessel construction to have reached 1,676,104 tons—double the corresponding figure for 1938 and highest since 1922. Total tonnage of merchant vessels under construction elsewhere in the world was 1,580,823. United States yards are next to British, but achieved only 35.3% of the U. K. total, according to Lloyds. Sweden, Italy, Holland, Spain, Belgium, Denmark, follow in that order.

* * *

Broadcast Newspapers

Publication of facsimile newspapers in home receiving sets "has been pushed forward several years." That's the promise made at the recent convention of the American Newspaper Publishers' Association, where United States promoters of facsimile demonstrated pioneer equipment. General Electric, undertaking manufacture of Hogan Faximile apparatus, may within a month be working on receiving sets which will bring a radio-fresh paper into the home several times a day.

* * *

Neoprene Work Gloves

Said to be oil and acid resistant, is a new canvas work glove, impregnated with neoprene plastic compound. The milled neoprene used is claimed tougher and more durable than latex type. It creates a permanent bonding of the canvas, not merely a coating. Further advantage is the rough, nonslip surface given by this treatment.

* * *

Corolon For the Floor

Within a few months, Armstrong Cork Co. will market a new resilient flooring material, said tougher and more durable than anything now available. Dubbed "Corolon," the new material is a byproduct of Armstrong wartime research. Great flexibility, resistance to marring and scuffing, impenetrability to grease, dirt, and moisture, crystal clear coloring are qualities claimed.

* * *

No Export License Fee

Henceforth no fee is required for any export permit issued by or on behalf of the Dept. of Trade and Commerce, Ottawa. The new ruling revokes Clause 16 of Order in Council P.C. 2448, which provided for a fee of $2.

Ont. Door Open For Engineers

But Jail Threat Added For Repeat Offenses Under Provincial Act

Professional engineers from other provinces, British countries or United States now may practice in Ontario—with residence in Ontario and membership in the licensing Association of Professional Engineers—if they are members of parallel organizations outside.

This is the effect, though not the terminology, of one of several amendments to the Professional Engineers' Act of Ontario, passed recently. Some other changes:

Engineers following more than one branch of engineering no longer have to register in more than one branch.

Added are (a) imprisonment as alternative penalty for repeated violation of the Act: (b) the title "engineer" to the list of titles which may not be used ("professional engineer" and "registered professional engineer") except by members or licensees of the association.

Meaning of the term "professional engineering" is not only enlarged but also more specifically defined. Included now within its scope are "engineering works and installations relating to airports, airfields, landing strips, town and community planning." Previous reference to "telephone systems, telegraph systems, cables, wireless plants," becomes "electrical communication systems and equipment." "Boilers and their auxiliaries" are added to the scope of professional engineering.

Hydro 2¾% Bonds Set New Record

A new record in bond sales was made this week with the rapid oversubscription to an issue of $20 millions Hydro-Electric Power Commission of Ontario 25-year 2¾% bonds offered at par. This is the first time a long term government bond has been issued at less than a 3% coupon. In Jan., 1945, 15-year Ontario Hydro 3% bonds were sold at par. This is the first long term Commission issue since 1930 when 40 year 4¾% bonds were sold to yield 4.60%. Proceeds are in part for redemption at par on Aug. 1, 1946 of $12.5 million 3% bonds due Aug. 1, 1946-48.

GOVERNMENT AND CORPORATION SECURITIES

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Further information to interested parties.

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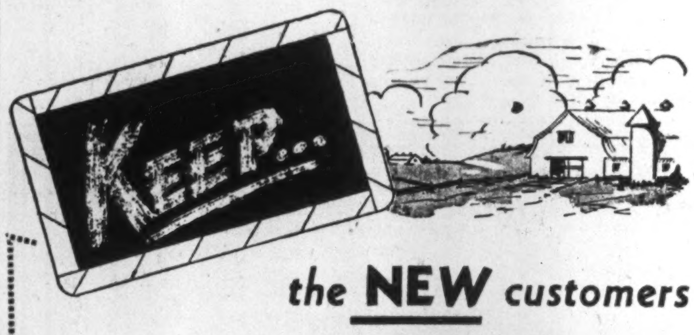

the NEW customers . . . on YOUR side!

Every year, thousands of consumers whom you have educated to buy your product, pass out of the sales picture. New thousands come into it — young folks who know little or nothing about what you have to sell . . . It's just as important to educate *them* as it was to educate the others . . . You've got to get them on your side as they come of buying age.

It's the same in rural Canada where young folks by the thousands are growing up on the farms. These are the youngsters who will some day exert a vital influence on the nation's economy. What are YOU doing to educate this up-and-coming young market to your product?

ONE magazine, the Family Herald and Weekly Star will give you coverage of 300,000 Canadian farm homes from coast to coast plus the largest youthful farm reading audience in Canada.

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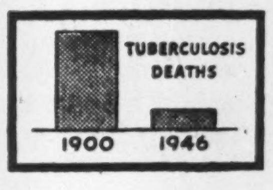

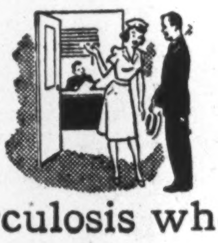

Man's war against **Tuberculosis** can be won! Already the death rate from this disease has dropped to less than one fourth of the toll in 1900.

As more and more people have regular physical examinations, doctors will be able to discover those carriers of tuberculosis who have the disease without knowing it.

An important part of such examinations is the use of the X-ray or fluoroscope. Control of all such cases through modern medical methods ***can reduce the death rate still further!***

Have an annual physical examination!

This is particularly important for those who have persistent coughs.

If you have tuberculosis, self-discipline in following *all* of your doctor's instructions will generally lead to recovery.

Periodic medical checkups will help to guard against recurrences, and permit you to lead a nearly normal life.

For information on public and private examination facilities in your community consult your doctor, health officer, or local Tuberculosis Association.

To help avoid tuberculosis, and for up-to-date information about the disease, send for your free copy of Metropolitan's booklet, "Tuberculosis". Address your request to Canadian Head Office, Ottawa.

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(A MUTUAL COMPANY)
New York
Frederick H. Ecker CHAIRMAN OF THE BOARD
Leroy A. Lincoln PRESIDENT
Canadian Head Office: Ottawa

TO EMPLOYERS: Your employees will benefit from understanding these important facts about tuberculosis. Metropolitan will gladly send you enlarged copies of this advertisement—suitable for use on your bulletin boards. **Please address your request to the Canadian Head Office, Ottawa.**

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Fix Minimum Wheat Price at $1.80 North-West Elevators Urge Ottawa

WINNIPEG—Minimum prices of $1.80 a bushel for wheat, 92 cents for barley and 72 cents for oats, retroactive to Aug. 1, 1945, were urged on the Dominion Government this week, by the North-West Line Elevators Association. (Present ceiling price of barley is 64¾ cents; oats, 51½ cents.)

The Association charged that prairie farmers are compelled to dispose of their coarse grains to eastern and British Columbia feeders at less than their true value. It complained that prairie cattle, hog and poultry producers are forced to compete against highly subsidized eastern and B. C. feeders and to pay their own freight on movement of livestock to market. Between Oct., 1941, and March 31, 1946, the Dominion paid $63,992,000 in freight subsidies to eastern and B. C. feeders.

"With mounting farm labor and machinery costs and general increase in grain production expenses, coupled with the need for general rehabilitation of western farm buildings and machinery, the prairie coarse grains grower is in no position to continue subsidizing more prosperous livestock feeders of other parts of Canada," the Association brief submitted.

"The ultimate result of the present policy will be to force the West out of the livestock industry and make the prairie farmers merely the growers of grain for livestock raisers in other parts of Canada. We do not feel that we can stand idly by and see the prairie coarse grains grower being compelled to accept less than a reasonable price for his grains. The whole price structure is now out of balance and must be adjusted to render reasonable fairness to the prairie producer.

"We believe that a continuation of the present policies will not result in maximum production of coarse grains this year, particularly in eastern Canada where farmers will be in a position to turn to more remunerative lines of production rather than grow their own supplies and then depend on the Government to compel the prairie farmer to furnish other parts of Canada with feed requirements at low prices."

The Association pointed out that the United States Government has increased the price paid to growers by 30 cents a bushel, to $2.30 per bushel for wheat.

Salvages Wheat Left From Fall

From Our Own Correspondent

WINNIPEG—Reni Mosset, who farms 1,500 acres of land at Medora, 160 miles southwest of Winnipeg, has just completed an unusual piece of agricultural salvage work.

Last fall he cut 100 acres of rust-resistant Thatcher wheat and left it in the swath, intending to pick it up and thresh it with his combine. Weather stopped him from getting it done.

The field lay in the swath all winter. This spring he threshed it, and got 20 bushels to the acre. Apart from being badly bleached, the sample was not so bad as he expected. It weighed 56 lb. to the bushel and graded No. 4 Northern when he sold it.

Shares in Lumber Firm Are Offered to Public

E. P. Taylor's new $15 millions corporation entered the B. C. lumber picture with the announcement last week of the formation of British Columbia Forest Products Ltd., and a public offering of bonds and stock.

Incorporated Jan. 31, 1946 in British Columbia, B. C. Forest Products has acquired the Sitka Spruce Lumber Co., Vancouver, now proposes to acquire Hammond Cedar Co., Industrial Timber Mills Ltd., Cameron Lumber Co., Hemmingsen-Cameron Co., Osborne Bay Timber Buyers Ltd. and Renfrew Holdings Ltd., all in British Columbia.

$3.5 millions 4% series A bonds due May 31, 1966 at par and 1.5 million no par value common shares at $5 a share are being offered by a syndicate headed by W. C. Pitfield & Co., Lauder Mercer & Co. and Burns Bros. & Denton Ltd. In addition, $2.5 millions 2¾% serial bonds due 1947 to 1954 have been sold privately. Proceeds are mainly for purchase of the above firms.

Upon acquisition of these companies, British Columbia Forest Products will employ about 1,700 people and own four sawmills with a total capacity of some 225 million bd. ft. Here is the lineup:

—Sitka Spruce Lumber Co.—sawmill on False Creek in Vancouver with 30 million bd. ft. annual capacity, timber limits estimated at 300 million bd. ft.

—Industrial Timber Mills — sawmill at Youbou, Cowichan Lake, Vancouver Island, capacity 100 million bd. ft. Timber holdings 2 million bd. ft.

—Hammond Cedar Co.—sawmill on Fraser 26 miles east of Vancouver. Timber limits 850 million bd. ft. Specializes in red cedar lumber and shingles.

—Cameron Lumber Co.—sawmill capacity 40 million bd. ft., manufacturing plant, a general wholesale, export and retail lumber business in Victoria.

—Hemmingsen-Cameron Co. and Renfrew Holdings Co.—operated in conjunction with Cameron Lumber Co., logging operations at Port Renfrew, San Juan Valley and area, Vancouver Island.

The new company's timber holdings will total over 3 billion bd. ft. At present, it is negotiating for timber licences aggregating about 1,150 million bd. ft. Logging operations are said equipped to supply the full log requirements of the mills.

In 1945, output of the four sawmills was over 150 million bd. ft. while the average for 1940-45 was over 180 million bd. ft. The company plans to increase production to 200 million bd. ft. a year. On this basis, the company estimates maximum interest requirements will be covered more than seven times after depreciation and depletion and that 42 cents a common share will be earned.

On completion of the financing, capitalization outstanding will consist of $6 million bonds and 2 million no par value common shares. Argus Corp., investment firm headed by E. P. Taylor, is understood to be purchasing a substantial block of stock.

Directors of the new company are:

E. P. Taylor, president, Toronto; C. J. Culter, vice-president; J. H. Lawson, A. C. Taylor, all of Vancouver; B. P. Alley, Victoria; H. Mackay, Rothesay, N.B.; M. W. McCutcheon, Toronto.

Government Ups Flax Price To Ease Linseed Shortage

Even though Canadian linseed oil production has jumped 125% since pre-war, unfilled orders for the chief users—paint, varnish and linoleum industries—are at an all-time high.

So serious for Canada's huge building program just getting under way is the tight supply situation that Government, in an effort to increase production, has upped the price of flaxseed—chief ingredient —50c. a bushel to a record high of $3.25, as of Aug. 1. At this price the Government will be paying $1.61 a bushel subsidy; linseed oil manufacturers are still able to buy at $1.64 a bushel.

Though the paint, varnish and linoleum industries, which together account for close to 90% of linseed oil consumption, have been able, until recently, to operate at near capacity this has only been possible through increased use of substitutes and concentration on several standard production lines. Lately increasing shortages, arising from greater diversion to edible fats production, both for domestic and overseas consumption and end-season dwindling supplies, have cut considerably into production schedules.

With only domestic production to count on there is little indication of a betterment in the supply until after next fall's flax crop. Even then it is doubtful that the supply will be anywhere near adequate to meet all requirements, manufacturers say. In 1939, for instance, 53% of total flax seed used in Canada was imported, mainly from Argentina.

Linseed oil allocation to industry is 70% of the average used in the corresponding quarters of 1940 and 1941. A big part of the increased demand for linseed oil is coming from the paint and varnish industry which used to be able to import substantial amounts of perilla and tung oil as drying oils. Since early in the war these sources have been cut off.

Stocks of linoleum at retail outlets are practically nonexistent. Heavy thicknesses and "patterned" linoleum are very scarce, most production being in "marbelized" lines.

Colors, in even these standard lines, have been restricted as well, due to an increasing scarcity in certain pigments that has hit the paint industry particularly.

Linseed oil production in 1944, the latest year for which figures are available, amounted to 9,779,743 gallons (in 1939, 4,354,913 gallons).

The war-produced backlog of deferred building and redecorating has brought about a sellers' market for paint, varnish and linoleum which will last from two to three years, production authorities estimate.

COMPANY REPORTS

INTERNATIONAL HOLDINGS 1945 net profit was up almost $10,000. Total revenue was $553,054, 89% received from dollar sources ($542,790 in 1944). Investments (including those aggregating $671,098 held in territory formerly occupied by the enemy) are shown on the balance sheet at their book value of $14,049,069, less investment reserve of $1,651,786. Investments, exclusive of any valuation in respect of securities held in previously occupied territory, had a market value of $16,676,763.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Divds. & int.	$618,789	$548,100
Add: Portion of sale of Northeast Elec. shs.	......	52,032
Bank int., etc.	40	1,631
Less: Taxes & chgs.	65,776	58,973
Other exps.	42,863	42,097
Net profit	510,190	500,693
Less: Divds. paid	488,261	488,261
Surplus for year	21,929	12,432
Earnings per Share and Dividend Record:		
Common: Earned	$0.522	$0.512
Paid	0.50	0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$505,403	$1,974,079
Divds. rec.	4,201	6,642
Secs. called for red.	80,850	94,325
Investments*	14,049,070	12,564,177
Total assets	14,639,524	14,639,223
Sundry creditors	10,084	54,669
Reserves	1,772,463	1,749,506
Capital stock	10,253,481	10,253,481
Distrib. surplus	1,867,859	1,867,859
Earned surplus	735,637	713,708
*Market value	16,676,763	12,555,202

INVESTMENT FOUNDATION shows an increase of $679,269 to $2,783,969 in market value of securities as at Mar. 31, 1946. Liquidating value of common shares, after deducting preferred shares at par, was $22.01, as against $11.48 as at Mar. 31, 1945, President A. S. Fraser, states. Directors authorized purchase of 616 preferred shares at average price $50.31.

INCOME ACCOUNT

Years Ended Mar. 31:	1946	1945
Revenue	$122,597	$118,685
Less: Gen. exps., taxes, etc.	17,711	16,485
Inc. tax res.	2,563	2,313
Net profit	102,323	99,887
Less: Pref. divds.	77,520	80,442
Com. divds.	17,500	17,500
Surplus for year	7,303	1,945
Earnings per Share and Dividend Record:		
Pref.: Earned	$4.00	$3.81
Paid	3.00	3.00
Com.: Earned	0.35	0.28
Paid	0.25	0.25

CONDENSED BALANCE SHEET

As at Mar. 31:	1946	1945
Cash	$23,406	$19,688
Call loans	25,000	......
Accts. rec., etc.	10,389	11,689
Investments▲	2,476,347	2,525,040
Furn. & fixt.	1	1
Total assets	2,535,143	2,556,418
Accts., tax., etc., pay.	21,726	21,758
Invest. reserve	73,691	71,437
Capital stock	2,330,000	2,360,800
Surplus	109,726	102,423
▲Market value	2,783,969	2,104,700

WESTMINSTER PAPER CO. net profit for the year ended Jan. 31, 1946 was up narrowly, despite accident early in year which curtailed production for first six months of 1945. Present output, however, is encouraging, as the renovation of Paper Machine is now bringing about the results required, President E. M. Herb states.

An expansion program which will more than double capacity is expected to be completed about Aug. 1. A new high pressure steam plant is under way.

INCOME ACCOUNT

Years Ended Jan. 31:	1946	1945
Net earnings	$229,842	$210,040
Less: Deprec.	41,258	37,699
Inc. tax res.	80,000	75,000
Net profit	108,584	97,341
Less: Com. divds.	47,789	23,895
Surplus for period	60,795	73,446
Earnings per Share and Dividend Record:		
Common	$1.14	$1.02
Paid	0.50	0.50

CONDENSED BALANCE SHEET

As at Jan. 31:	1946	1945
Cash & Dom. bds.	$529,373	$641,248
Accts. rec.	219,754	188,460
Life ins. c.s.v.	2,941	2,441
Inventories	161,232	164,272
Total curr. assets	913,300	996,421
Def. assets▲	29,551	25,864
Investments	19,335	19,435
Fixed assets*	1,036,353	482,433
Total assets	1,998,539	1,524,153
Demand loan	61,197	5,853
Accs. & wages pay.	152,870	121,760
Constr. liab.	293,734	......
Taxes pay.	71,124	37,721
Total curr. liab.	578,925	165,334
Capital stock	955,780	955,780
Earned surplus▲	463,834	403,039
*After depr. of	644,208	605,603
▲Incl. ref. EPT	6,600	6,600
Working capital	334,375	831,087

ALGOMA CENTRAL & HUDSON BAY RAILWAY CO. 1945 net loss was $129,421—($630 greater than 1944 loss). Gross revenue was up, but was more than offset by increased cost of fuel and materials and further increases in basic wage rates. Upkeep of the line and rolling stock has been deferred due to serious shortages in both labor and materials. Prospects for the current year indicate higher traffic and increasing expense items. During the year, no Algoma Central Terminals 5% first mortgage debenture stock has been purchased for cancellation.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$451,902	$487,076
Less: Accr. rental of A. C. Term.	45,447	69,290
Unpaid rental int.	20,451	31,152
Inc. deb. stk.	515,425	515,425
Net loss & deficit	129,421	128,791

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$399,008	$439,165
Accts. rec.	872,965	739,603
Investments	150,263	142,900
Inventories	788,294	623,552
Total curr. assets	2,210,530	1,945,220
Inv. Algoma Cen. Ter.	1,414,029	1,419,981
Cash & secs. re def. maint. fund	992,355	399,604
Fixed: Props.†	20,025,026	19,936,399
Land grant lands	292,387	302,800
Deficit	6,268,530	6,139,180
Total assets	31,202,857	30,143,184
Accts. & tax. pay.	1,247,240	1,133,131
Accr. rentals	495,938	495,938
Accr. bond int.	7,731,375	7,215,950
Total curr. liab.	9,474,553	8,845,019
Def. maint. res.	992,354	863,565
Deprec. res.	3,349,411	3,048,061
Funded debt:		
Inc. deb. stk.	10,308,500	10,308,500
Capital stock	4,707,550	4,707,550
Capital surplus	2,370,489	2,370,489
Work. cap. deficit	7,264,023	6,899,799

†Includes investment in affiliated companies.

McCOLL-FRONTENAC OIL CO. new issues of $12.5 millions 3% first mortgage bonds and $6 millions 4% preferred stock par $100, are being offered by Wood. Gundy & Co. and McLeod, Young, Weir & Co. Bonds consist of $6 millions serial due Oct. 1, 1947-58, which have been sold privately, and $6.5 millions due Oct. 1, 1971, offered at par and interest. Preffered stock is offered at $101 a share, to yield about 3.96%. Proceeds are mainly for refunding the outstanding $10.4 million bonds, to mature or be redeemed on Oct. 1, 1946, and the outstanding $7,538,400 6% preferred stock to be called for redemption on July 15, 1946.

OSLER, HAMMOND & NANTON LTD., Winnipeg, Man. is opening an investment department in its Calgary, Alta. office, with C. S. Robinson in charge. Mr. Robinson has been with the company for 25 years, being loaned during the war to the Government where he latterly was manager of Western Ventures Ltd. (operated under direction of Emergency Coal Production Board).

Black Pepper Picture Eases

The supply outlook in black pepper is not nearly so grim as some sources would have people believe, a Canadian spice authority informs The Financial Post.

Even if no more pure black pepper were imported, shakers would not have to go empty until well on into 1947—that is with present rationing regulations to manufacturers and the Government-approved formula for imitation pepper (40% pure black pepper and 60% filler). But black pepper is being imported from India, and the whole supply picture has improved sufficiently since last year to permit increase of pure black paper content of imitation pepper from 25% to the present 40% proportion.

As yet, no pure black pepper has been available from the Dutch East Indies. Competitve bidding for pure black pepper in India is said keen in light of world shortage. In order to obtain supplies and at the same time retain present retail price ceilings, the Government has been forced to continue substantial subsidy payments.

Practically all other spices and seasonings are in good supply, except nutmeg and mace, normally produced principally in Netherlands Indies. Cinnamon and cassia supplies give indication of improving in near future.

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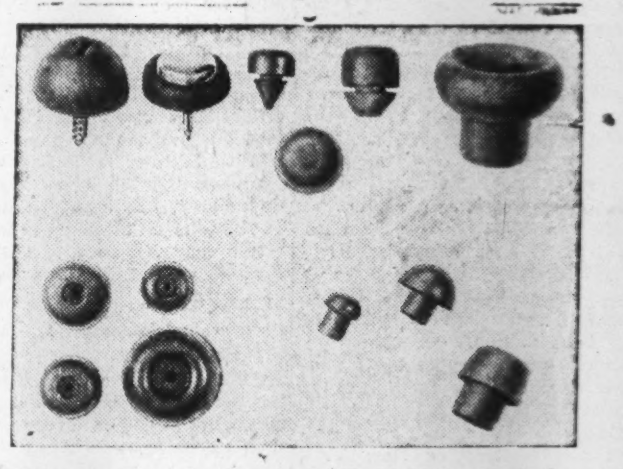

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Britain Checks Tariffs For Future Reductions

OTTAWA (Staff) — The British Government is proceeding now to collect trade and tariff information from industry and traders, looking toward changes in the British preferences and other tariffs.

Copies have been received in Canada recently of a memorandum sent out by the U. K. Board of Trade seeking specific comment on tariff matters and commercial policy. Commercial policy includes quantitative restrictions, exchange control, cartels, commodity agreements, etc.

On tariff matters, the British Government is seeking the following information:

1. Advice as to the "reduction of existing duties which would be required to enable goods produced in the U. K. to compete in world markets."

2. Information as to desired reduction or stabilization of Empire preference so as to indicate (a) which margins of preference are of highest importance to U. K. industries; (b) which margins are regarded as of some importance; (c) which are regarded as of little importance.

3 Information on modifications of the U. K. tariff under three categories: (a) revenue duties (many of which contain an element of Imperial preference, viz: tobacco); (b) duties primarily designed to benefit producers in other parts of the Empire, viz: rice; (c) duties imposed primarily to protect U. K. industries.

FRY-CADBURY LTD. has awarded contract for a $300,000 extension to its Montreal plant. Decision on starting date is pending, according to W. P. B. Wregg, vice-president and general manager, who advises most modern equipment for manufacture of chocolate products will be installed.

JACK: Say Bill, have I got a "headache"! I've got five letters in Spanish from potential customers in South America and I don't know a word of the language. Tell me how do you cope with this sort of thing?

BILL: *That's the least of my problems, I use the Translation Department of my forwarding agents, Canadian-European Forwarders Limited. They do a most efficient Job and the charges are reasonable.*

JACK: Well that's really going to be a tremendous help to me, but there's another angle, my agents have asked me for a Spanish text catalogue of our lines, how can I go about getting it?

BILL: *Give the job to Canadian-European Forwarders Limited, they'll do it for you. In fact, ANY problems you have in connection with Central or South American trade, ALWAYS consult them. Our Latin-American business is a real pleasure since we've used their services.*

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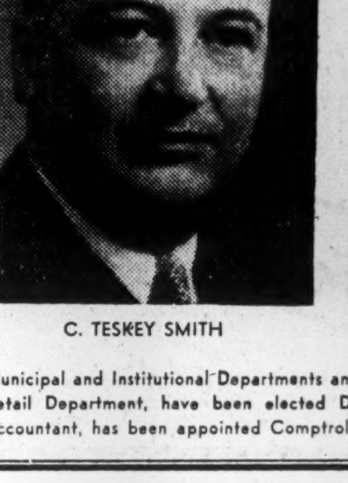

C. TESKEY SMITH

JOHN S. HILL, C.A.

Announcement is made by Harrison & Company Limited of several new appointments. Gordon K. Masters, who has been a director since 1936, has been appointed Executive Vice-President. A. Colin Cochrane, Manager of the Municipal and Institutional Departments and C. Teskey Smith, Manager of the Retail Department, have been elected Directors. John S. Hill, Chartered Accountant, has been appointed Comptroller and Assistant Treasurer.

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John McFetrick

BAGAMAC MINES has received payment for May 1 underwriting installment of 50,000 shares at 33 1/3 cents from Doherty Roadhouse & Co. Issued capital — 2.8 million shares.

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INVESTMENT OPPORTUNITY
For Immediate Sale
"WOMAN'S BAKERY LTD."
Established 1910

Located in Vancouver, this well-established Bakery firm has a large factory and 10 retail outlets. Will bear the closest investigation. For full confidential details on the above write: Commercial Property Division, H. A. Roberts Ltd., 933 West Pender Street, Vancouver, B.C.

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"We Cover British Columbia"
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YOU ASKED US

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Premium on Exchange

Some years ago, I lent my brother in the United States a substantial sum of money. He has recently repaid me, and as he paid U. S. funds, the premium on the exchange was substantial. Is this exchange premium taxable as income?

No, provided it is all paid on the principal amount. If part of the payment you receive is interest, then the exchange on the latter portion would be part of the income and taxable.

Tubing in Well

I have recently had a well drilled on my farm. Am I allowed any deduction for depreciation on the tubing in the well?

No. The tubing is considered a capital expenditure and not subject to depreciation allowance.

INVESTMENTS

Winnipeg Electric

Will you please explain why Winnipeg Electric Co.'s 1945 taxes are so much higher than in 1944 while earnings are only up slightly?

Winnipeg Electric Co.'s annual report shows provision for income and excess profits taxes, including refundable portion, of $1,410,185 in 1945 as compared with $386,600 in 1944. President W. H. Carter advises The Financial Post regarding this sharp increase as follows:

"$669,755.62, representing the balance due on the contingent certificates and as referred to in the 1944 annual report as having been deposited with the Bank of Montreal, accounts for the larger part of the increase in income and excess profits tax during the year 1945 over the year 1944. The contingent certificates representing deferred interest, were allowed by the Income Tax Department as a deduction from taxable income to the extent of this amount in 1944 with no corresponding amount to offset in the year 1945. The balance of the increase is due to increased taxable income and the company being placed in the 100% excess profit bracket."

Beaulieu Yellowknife

In a sheet put out by John H. Batten & Co., of which John H. Batten is stated to be the owner, Samuel Ciglen, president of Beaulieu Yellowknife is quoted as saying: "Beaulieu Yellowknife is the scene of the richest gold find ever made in Canada, if not in the entire world. The values are certainly far more impressive than those recently obtained in South Africa, and there just isn't any comparison between the two discoveries."

In view of the many millions added to the value of holdings in South Africa by the recent drill hole discovery in a reef there, and the fact that Beaulieu Yellowknife is selling at only a fraction of the price of Dome, noted for its "golden sidewalk" discovery in the early days, should I step in and buy Beaulieu now? Or is there a catch somewhere along the way?

If Beaulieu Yellowknife "has the goods" and is the scene of the richest gold find ever made in Canada, to the best of our knowledge Mr. Ciglen has not issued the information to prove it. It would be difficult to say that a sufficient concentration of gold values has been established to even indicate a mine. An official estimate has been released of 14,000 tons of ore averaging about an ounce gold a ton. Even if the company had an adequate shaft, developed mine workings and a mill, which it hasn't, it appears doubtful if a profit of $300,000 (less than 15 cents a share) could be realized on this amount of ore. We have seen the large number of rich drill holes reported for Beaulieu, but if they only indicate a few relatively small lenses of high grade of the limited tonnage character mentioned above, then their significance is not great import. A 60-70 ft. ore shoot is mentioned. Former operators are reported to have taken out and milled 15 tons of vein material from pits on the "A" and "B" zone averaging anywhere from $150 to $185 a ton, but such material doesn't indicate, by itself, that a mine is present. In the early days, before Frobisher entered the picture, Giant Yellowknife shipped 141 tons from its Brock zone, averaging over $260 a ton. But the Brock zone never did make a mine. Preston East Dome, which is just a medium ore grade proposition, in its early "discovery" days shipped 175.8 tons of high grade ore, averaging $779.63 a ton—a far more impressive record than anything reported for Beaulieu material.

We have been asked recently for an explanation of the present price of Beaulieu shares by people who feel that a price of over $2 a share is rather fantastic in view of results to date. It may be that a short "squeeze" is taking place. Reports have been widely circulated on the street to the effect that 400,000 shares have been sold short against the market. We have been unable to verify the actual short position but know that there is a considerable short interest. In view of the short position, the price of shares might go even higher, no matter what you or I think the actual value of the stock is.

We have seen no information on Beaulieu to convince us that the company has an outstanding discovery let alone "the richest gold find ever made in Canada."

FARRELL J. VINCENT

has been elected secretary-treasurer of the Montreal Stock Exchange.

Managed Investment

New Offerings Bought For Compton Account

Compton sells $800 bonds and 10 shares of Silverwood Dairies common and purchases 50 McCabe Grain Co. "A" preferred and 50 Montreal Locomotive Works common. By the "switches" his expected annual income has been increased by $21.50 to a new high of $518.35.

The Compton Fund Transactions

Purchased No. of Shares Security	Cost Price	Gross Cost	Income
50 McCabe Grain, A pref.	$11	$550	$30
50 Montreal Locomotive, com.	16½	412.50	20
Sales No. of Shares	Sales Price	Net Proceeds	Income
5 Silverwoods, c.	$14½	$141.55	$4.50
5 Silverwoods, c.	14¼		
$800 Dom. of Can. 3%, 1959	104.50	843.89	24
		$985.44	$28.50

Compton's Manager Says:

The profit on Dominion 3% 1959 bonds amounting to $46.61 is the accumulated profit on sales ($4,000) of these bonds during the past twelve months.

Mr. Compton, who had applied through his broker for 60 shares of McCabe Grain Co. "A" preferred stock, was allotted 50. Of the 30 shares of Montreal Locomotive Works common stock applied for he was allotted 25.

Purchase of Montreal Locomotive was recommended because there are good prospects the shares will appreciate. Listed on the Toronto and Montreal Stock Exchanges on May 2, they are currently quoted at $21.50.

Purchase of McCabe was recommended because of the diversified activities of the company and also because there are good prospects shares will appreciate. They are currently quoted at $12.50.

As between Dec. 15, 1944, when Mr. Compton's account was taken over and May 14, 1946, the following is the broad change in the position:

The Compton Fund Now Stands

	Dec. 15, 1945 Principal Sum	Dec. 15, 1945 Annual Rate of Income	May 14, 1946 Principal Sum	May 14, 1946 Annual Rate of Income
Bonds ..	.....	.....	$4,526.88	$135.00
Preferred stocks .	$925.00	$45.75	3,631.25	214.00
Common stocks .	6,661.25	284.00	3,474.75	169.35
Mining stocks .	1,750.00	64.00	....	.....
Cash	663.75	.....	120.42	.....
	$10,000.00	$393.75	$11,753.30	$518.35

Nova Scotia Finances Hotels To Expand Tourist Facilities

From Our Own Correspondent

HALIFAX—Loans from a $250,000 fund are now being made by the province to hotel and resort operators to assist in increasing accommodation for trourists. Covered by equitable securities, they pay 3½% interest on long terms. Borrowers are to use the money for improving present facilities or building new premises. The scheme is administered by the Department of Industry, which regards the tourist business as one of the province's best-paying resources.

The Government is expanding facilities at the province-owned hotel at Ongonish, in the Cape Breton national park, and will spend $30,000 this year in building and furnishing a number of new cottages on the Keltic Lodge property. The Government foresees ultimate development of this bungalow-hotel enterprise in Cape Breton to 500-room capacity, five times its present accommodation.

Prince Edward Island, according to Col. W. W. Reid, acting supervisor, P.E.I. Travel Bureau, is taking steps to subsidize and make possible construction of suitable tourist accommodation. New Brunswick, The Financial Post is told, is also making provision for loans to cover resort improvements and new developments.

Robinson Mills Adds to Plant

Public participation was invited in another formerly privately owned firm, Robinson Cotton Mills Ltd., with the offering of 22,500 no par value common shares last week by McLeod, Young, Weir & Co. and R. A. Daly Co. Offered at $10 a share, the stock quickly jumped to $13½ a share bid. No new financing was involved, as the shares had been purchased from other shareholders.

Robinson Cotton Mills, incorporated in 1923 in Ontario as W. Robinson & Son Converters Ltd., is engaged in the processing of cotton piece goods. Plant at Woodbridge, Ont. has facilities for handling over 1,200,000 yards of cotton goods per week. Facilities include bleaching, dyeing, napping and shrinking (sanforizing.) Finished materials are sold to garment makers, furniture makers, automobile manufacturers wholesale drygoods trade, etc.

An $800,000 addition to the present plant is under construction. Devoted entirely to spinning and weaving, it is expected to be in production in spring 1947. Formerly the company purchased "grey goods," which it processed, and a large proportion was imported.

To finance the extension and add to working capital, the company recently sold $1 million of 3%, 3¼% and 3½% first mortgage serial bonds due 1947 to 1961 at $100.843 and accrued interest.

Earnings for 10 fiscal years ending Dec. 18, 1945 have averaged 73 cents a share a year on the basis of 150,000 shares now outstanding. For 1945, earnings of $1.08 a common share were shown. As the company is in receipt of a subsidy, it is prohibited from retaining any profit in excess of 116 2/3% of its standard profit. The directors intend to declare dividends at the rate of 40 cents per annum.

The Robinson family will continue to control the company, it is stated. Directors are:

William Robinson, president; W. W. Robinson, vice-president and managing director; Gordon Robinson, secretary; W. H. Robinson, mill manager; W. J. McCreight, treasurer; all of Toronto; C. T. Cluff of Winnipeg and Fred Slater of Montreal.

Dominion and Provincial
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Municipal Bonds
Public Utility
and
Industrial Financing

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CORPORATION LIMITED
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Limited
An Investment Company with Shares Redeemable
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Investment Dealer or Stockbroker.

All of these Bonds having been sold, this advertisement appears as a matter of record only

New Issue

$2,750,000
Dominion Dairies Limited
(Incorporated under the laws of the Dominion of Canada)

FIRST MORTGAGE BONDS
Series "A"
To be dated June 1, 1946

$750,000 2¾% Serial First Mortgage Bonds Series "A"
(herein called "Serial Bonds") to mature $75,000 annually June 1, 1947 to 1956 both inclusive;

$2,000,000 4% First Mortgage Bonds Series "A"
(herein called "4% Series Bonds") to mature June 1, 1966

Principal and semi-annual interest (June 1 and December 1) and redemption premium, if any, payable in lawful money of Canada at any branch in Canada of the Company's bankers. Redeemable at the option of the Company, in whole at any time or in part from time to time on not less than 30 days' notice, in accordance with the details set forth in the letter of the President of the Company forming part of the Prospectus. Serial bonds may be in the form of fully registered bonds in the denomination of $75,000 or in coupon form, registerable as to principal only, in the denomination of $1,000. 4% Series Bonds may be in the form of coupon bonds, registerable as to principal only, in the denominations of $1,000 and $500. The original issue of fully registered bonds may be exchangeable by the holders, without expense, on reasonable notice for coupon bonds as soon as the same are procurable. Bonds are registerable and exchangeable at the principal office of Montreal Trust Company in Montreal and Toronto.

Trustee: Montreal Trust Company

In the opinion of Counsel, these Bonds will be investments in which, pursuant to The Canadian and British Insurance Companies Act, 1932 (Dominion) as amended, companies registered under said Act may invest their funds.

We offer, as principals, the 4% Series Bonds, subject to prior sale and allotment, if, as and when the Bonds (or Trustee's Interim Certificates in lieu thereof) have been issued and received by us and subject to the approval of Montgomery, McMichael, Common, Howard, Forsyth & Ker as Counsel for the Company, and of E. R. Parkins, K.C., as our Counsel, which Counsel will, in respect of the title to assets and matters of local law in the Province of Ontario, rely upon the opinion of Counsel in that Province.

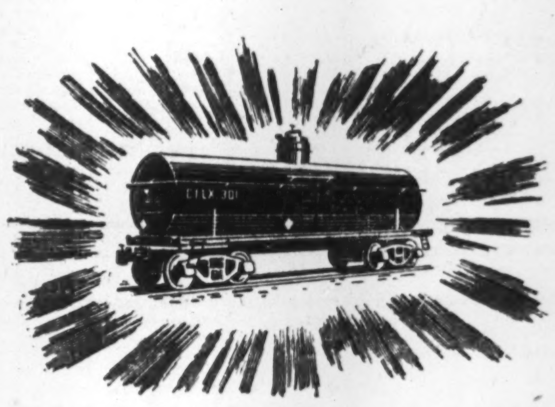
PRICE: 4% Series Bonds: 101 and Accrued Interest to Yield 3.92%

It is expected that Interim Bonds or Trustee's Interim Certificates will be ready for delivery on or about June 1, 1946.

A copy of the prospectus has been filed with the Secretary of State of Canada in accordance with the provisions of The Companies Act, 1934.

NESBITT, THOMSON & COMPANY
LIMITED
355 St. James Street West, Montreal

315A



CARGOES OF CHEMISTRY

YOU'VE seen them on the sidings from your seat in the chair car. You've seen them in the half-mile-long freight train, with its straining locomotive. But perhaps you didn't know of the precious goods those C-I-L tank cars were carrying to Canadian industry!

In days just past, their contents helped feed the insatiable war industries. Now they serve reconversion. They carry acetic acid to textile plant and tannery; caustic soda to help make "Cellophane" and rayon. The steel, mining and petroleum industries depend on them for muriatic acid, the lumbering industry for chromated zinc chloride.

Countless other chemical cargoes... silicate of soda, aqua ammonia, anhydrous ammonia, sulphur dioxide, formaldehyde, trichlorethylene and hydrogen peroxide... are hauled to many destinations for many varied uses.

So, when next you see a C-I-L tank car on the siding or in a string of freight cars, you can be sure that it is on its way somewhere in the service of chemistry to industry and Canadians.

SERVING CANADIANS THROUGH CHEMISTRY

CANADIAN INDUSTRIES C-I-L LIMITED

CANADIAN INDUSTRIES LIMITED

I.B.P.-46-9

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CIBA BUILDING
1235 McGill College Avenue
MONTREAL QUEBEC

A. V. ROE CANADA LTD. has been awarded a contract to carry on design and development of gas turbine aircraft engines, Hon. C. D. Howe, Minister of Reconstruction and Supply, has announced. This work was formerly undertaken by Turbo Research Ltd., a Crown company. Majority of Turbo Research personnel will be employed by A. V. Roe Canada, it is stated.

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Consult with men who know . . . whether your plans call for re-location . . . expansion of present facilities . . . new sources of raw materials.

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Canadian Pacific
DEPARTMENT OF INDUSTRIAL DEVELOPMENT
MONTREAL. TORONTO. WINNIPEG. VANCOUVER. LONDON, ENG.

These shares having been sold, this advertisement appears as a matter of record only

Outstanding Issues:

Stanley Brock Limited
(Incorporated under the laws of the Dominion of Canada)

31,350 Class A Shares
(No Par Value)

Cumulative Preferential Dividend
Non-Callable, Convertible Stock

Entitled to fixed preferential cash dividends, cumulative from May 1, 1946, as and when declared by the Board of Directors, at the rate of 60 cents per share per annum, payable quarterly (1st February, May, August and November) at par at any branch in Canada (far Northern branches excepted) of the Company's bankers; non-voting unless four quarterly dividends in the aggregate are in arrears, in which case and so long as any dividends remain in arrears holders of such shares shall be entitled to voting rights of one vote for each share held and as a class to elect two members of the Board of Directors; entitled on distribution of assets first to receive unpaid cumulative dividends and thereafter to share equally share for share with the Class B Shares; convertible at any time or from time to time prior to May 1, 1951, into Class B Shares on a share-for-share basis.

Price: $11 per share, to yield about 5.45%

20,000 Class B Shares
(No Par Value)

The Board of Directors has determined, subject to the issue of Supplementary Letters Patent to be applied for, to declare a dividend of ten cents per share for the quarter ending July 31, 1946 (which is at the rate of 40 cents per share per annum) upon the 62,700 Class B Shares of the Company to be issued and outstanding, such dividend to be payable on August 1st, 1946, to shareholders of record at the close of Business on July 15, 1946.

Price: $7 per share.

The offering of the 31,350 Class A and 20,000 Class B Shares (which are being purchased from shareholders of the Company) does not represent new financing by the Company.

We offer as principals these Class A and Class B Shares subject to the issue of Supplementary Letters Patent and subject to prior sale and change in price if, as and when accepted by us and subject to the approval of Messrs. Aikins, Loftus, MacAulay, Thompson & Tritschler, Winnipeg, Counsel for the Company, and of our Counsel, Messrs. Daly, Thistle, Judson & McTaggart, Toronto.

A prospectus will be furnished promptly upon request.

R. A. DALY CO.
LIMITED
80 KING STREET WEST
TORONTO

Magnesium Finds New Use In Preventing Corrosion

A new field for the use of magnesium is being developed by Dominion Magnesium Ltd. in the "cathodic protection" of buried pipelines, domestic and commercial water tanks, and similar equipment subject to corrosion through galvanic action. Simply, it is the introduction of a piece of magnesium, near the equipment to be protected, which will cause all other metals to act as cathodes—the magnesium anode only will then be eaten away by electrolytic action.

The magnesium alloy—local conditions govern the choice of alloy—anode is buried within about 10 feet of the material to be protected and connected to it electrically by means of a heavy copper conductor. This creates an electrolytic cell with the tank or pipeline as cathode and the magnesium as anode. The moist earth serves as electrolyte.

It is estimated that the potential market for magnesium in cathodic protection in the U.S. is greater than the entire wartime production of the lightweight metal. In Canada, J. D. Barrington, vice-president and general manager of Dominion Magnesium, terms the market "immense." The field is so new today that each installation represents a specific problem, and to solve each the technical staff of the company is made available.

Other metals, zinc and aluminum, have been used in cathodic protection, according to Mr. Barrington, but they have had the disadvantage of forming after a certain length of time an impervious layer that cuts off their anodic action. Magnesium, a higher metal in the electromotive series and hence more effective, forms only a porous coating which permits anodic action to continue until the anode is completely consumed. This characteristic makes it possible to calculate the life of the anode and makes the period of complete protection a known quantity.

One mile of buried 8-in. pipeline may cost an estimated $15,000, varying with local conditions. Complete protection for 10 years for such an installation may be obtained for a total outlay of $3,000 to $5,000, according to Dominion Magnesium engineers.

In the case of storage tanks, magnesium anodes can be used to give protection both inside and out—outside by the same method that is applied to pipelines, inside by suspending a string of magnesium alloy bars in the stored solution. A domestic water tank, which may cost $17 new, can be protected with a string of such anodes, installed for about $5.

COMPANY REPORTS

ACADIA-ATLANTIC SUGAR REFINERIES 1945 net profit was off 21.4%. Maintenance of a fixed price on company products, while all elements entering into costs have advanced, is reflected in reduced income from operations, President P. R. Gardiner, states. Reduced operations also were a factor.

CONSOL. EARNINGS

Years Ended Dec. 31:	1945	*1944
Net earnings	$1,090,268	$1,222,718
Less: Deprec.	217,769	217,600
Bond & deb. int.	239,426	159,375
Taxes	249,044	357,074
Net profit	383,969	488,669
Less: 5% pr. divd.	75,000	......
Cl. A divd.	100,000	......
Surplus for year	208,969	......

*Pro forma.

Times Bond and Debent. Interest Earned:		
Before deprec.	4.55	7.67
After deprec.	3.64	6.31
Earnings per Share and Dividend Record:		
5% pref.	$12.80	$16.29
Paid	2.50	....
Class A▲	†1.54	1.69
Class A■	0.76	1.06
Paid	0.50	....
Common■	†1.56	1.26
None paid.		

▲Before (■after) participation.

†Based on dividends for half year as provided in 1945. Comparable figures to 1944, after allowing for full year's dividends would be: Cl. A before partic. $1.17, common before partic. 34c.; no earnings available for participation and a deficit in the participating account.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	▲1944
Cash & Dom. bonds	$1,887,324	$2,379,916
Misc. invests., mkt. val.	944,134	755,985
Accts. receivable	887,662	1,235,788
Inventories	2,689,370	1,627,529
Life ins., c.s.v.	42,713	40,503
Total curr. assets	6,451,203	6,039,721
Deferred chgs., etc.	72,612	268,594
Fixed assets*	5,602,902	5,774,984
Excess cost sub. shs. acq.	8,140,000	8,140,000
Total assets	20,266,717	20,223,299
Total curr. liabs.	572,900	655,397
Property reserve	1,206,999	1,206,999
Excess mkt. val. secs.	436,224	390,150
Funded debt	4,600,000	4,600,000
Capital stock	3,300,000	3,300,000
Capital surplus	‡1,093,540	2,434,171
Distrib. surplus	735,000	735,000
Earned surplus	‡8,322,054	6,901,582
*After deprec. of	4,042,502	3,824,733
Working capital	5,878,303	5,384,324

▲Pro forma balance sheet giving effect to refunding bond issues, new preferred issue, and reorganization of cl. A and common stocks, in June, 1945.

‡Reflects capital surplus of Atlantic Refineries of $1,111,100 transferred back to earned surplus.

NIPISSING MINES CO. reports net current assets of its subsidiary of $4,661,000 (after current liabilities) as at Dec. 31, 1945, a slight increase from the previous year. This includes the company's holdings in Beattie Gold Mines, Frobisher, Steep Rock and Bevcourt, at market value.

Diamond drilling was carried out on property in the Beattie area without result but further exploration is planned on ground in Destor twp. A participation has been taken in financing Wekusko Consolidated and an interest is held in a syndicate exploring claims along the Porcupine-Beattie break. A 14% interest is held in a "unit pool" covering an oil and gas structure in Colorado, where a deep well is now being drilled. A total of $266,925 had been lent Beattie Gold Mines at the end of 1945 and a further $407,000 is to be lent if requested.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Divs. Nip. Mng. Co.	$70,000	$70,000
Less: Adm. exp.	2,209	1,971
Fees	6,802	6,535
Net profit	60,989	61,494
Less: Dividends	60,000	60,000
Surplus for year	989	1,494
Earnings per Share	$0.051	$0.051
Paid	0.05	0.05

BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$66,863	$72,105
Subs. divd. rec.	5,000	......
Stock Nip. Mng. Co.	*2,166,888	*2,292,906
Total assets	2,238,751	2,365,011
Accts., etc., pay.	66,869	68,100
Capital stock	*2,166,888	*2,292,906
Surplus	4,994	4,005

*After deducting $3,707,094 in 1944, $3,833,112 in 1945, excess of par value of shs. of Nipissing Mining Co. over book value of net assets.

INCOME ACCOUNT
(Nipissing Mining Co.)

Years Ended Dec. 31:	1945	1944
Gr. val. Nip. recov.	$12,289	■$1,871
Less: Oper. etc., exp.	37,761	40,410
Taxes	12,500	15,000
Oper. loss	37,972	57,281
Less: Other income:		
Bond interest	50,878	44,822
Dividends	......	125
Int. & exch. (net)	1,608	28,602
Inv., etc., sold	36,701	40,558
Equip. sold	......	8,868
Misc. recov.	......	5,789
Add: Outside exp.	7,233	5,262
Net profit	43,982	66,221
Less: Divids. pd.	70,000	70,000
Deficit for year	26,018	3,779
■Loss.		
Earnings per Share	$17.59	$26.49
Paid	28.00	28.00

CONDENSED BALANCE SHEET
(Nipissing Mining Co.)

As at Dec. 31:	1945	1944
Cash & ores	$143,454	$35,851
Accts. rec.	531	2,275
Accr. bond int.	11,250	13,745
Total curr. assets	155,235	51,871
Prep. exp.	18	25
Picacho prop.	200,000	‡200,000
Invests., mkt. val.:		
Govt. & ind. bds.	1,448,469	1,760,094
Beattie G. M. shs.	2,137,154	2,232,036
Frobisher Explor.	225,750	335,400
Steep Rock Iron	43,800	35,916
Nipissing Ms. Co.	......	5,250
Bevcourt G. M.	214,296	......
Adv. Beattie G. M.	271,216	......
Sund. shs. & adv.	167,308	98,137
Claims & props.	1	1
Total assets	4,863,247	4,718,730
Accts., etc., pay.	27,396	10,706
Conting. res.	150,000	50,000
Res. for taxes	24,178	18,078
Total curr. liab.	201,574	78,784
Invest. res.	2,494,785	2,347,040
Capital stock	250,000	250,000
Surplus	1,916,888	2,042,906
Def. working capital*	46,339	26,913

*Not including invests. †Excess of current liabs. over current assets.

‡Mortgage.

HOLLINGER CONSOLIDATED GOLD MINES through two subsidiaries, Labrador Mining & Exploration Co. and Hollinger North Shore Exploration Co., now has under its control 22 iron ore bodies with a combined tonnage of 1,288,900 tons per vertical foot averaging approximately 61.7% iron. An intensive program of exploration of these deposits, however will be necessary to prove up the huge reserves required to bring the area into production and justify the necessarily large capital expenditures, President Jules R. Timmins states.

Of the iron resources mentioned, 11 ore bodies with an aggregate of 629,400 tons of ore to the vertical foot are held by Hollinger North Shore Exploration Co.

Improvement in gold production at the Hollinger mine may be expected to continue, President Timmins reports. "Your company is well prepared to take its part in the postwar period of expansion but necessarily attention must first be given to the physical condition of the mine rather than to increase in production."

Despite labor shortage, it was possible to develop slightly more ore than was milled in 1945 as shown below.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Production	$8,917,363	$9,294,736
Less: Oper. exp.	6,143,205	6,168,599
Net oper. earns.	2,774,158	3,126,137
Add: Int., etc.	440,040	429,112
Secs. sold	48,354	130,790
Young-David. profit	173,423	77,063
Total net earns.	3,435,975	3,763,102
Less: Deprec.	430,161	460,829
Invest. w/o	26,906	65,743
Prop. aband.	68,715	53,701
Profit taxes	735,537	840,734
Net profit	2,174,656	2,342,095
Less: Divds.	2,263,200	2,263,200
Deficit for year	88,544	*78,895
*Surplus.		
Earn. per Share	$0.44	$0.48
Paid	0.46	0.46

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & bullion	$1,523,834	$1,232,884
Govt. & other bds.	1,790,800	1,946,373
Accts. rec.	255,724	173,064
Accrued int.	13,419	15,664
Mat. & supplies	1,083,459	971,288
Total curr. assets	4,667,236	4,339,273
Invest. Bd. & shs.■	3,374,111	3,374,110
Secs. of other cos.*	1,176,915	1,186,630
Int. other cos. & ppts.	1,967,170	1,803,596
Prep. & def. chgs.	447,601	717,428
Mining props.	22,239,100	22,241,100
Plant & equip.▲	727,129	949,414
Total assets	34,590,262	34,611,551
Total curr. liab.	937,955	940,136
Capital stock	24,600,000	24,600,000
Surplus	9,061,307	9,071,415
▲After depr. of	430,161	460,828
■Market value	5,703,651	4,995,836
*At cost which is less than market.		
Working capital†	3,729,281	3,399,137

†Not including investments in Int. Bond & Share at market value of $5,703,651 and securities in other cos. at cost of $1,176,915 in 1945; $4,995,836 and $1,186,630 in 1944.

OPERATING STATISTICS

	1945	1944
Tons milled	1,007,286	1,032,991
Average recov.	$8.85	$8.99
Ore reserves, tons	7,509,863	7,507,976
Grade ($38.50 gold)	$12.47	$12.71

Finish Lumber Scarce For Edmonton Houses

From Our Own Correspondent

EDMONTON—This community's $14 millions 1946 building program may be hobbled by shortage of finish lumber and interior trim, despite promise for Canada at large of larger stocks of lumber generally this summer. Dealers here report shortage now of finish lumber—one says there isn't enough to complete half the houses under construction—and predict scarcity of rough or framing lumber 60 days after mills complete spring shipments. So far, though, rough lumber is in good supply, even though demand is "beyond all expectations."

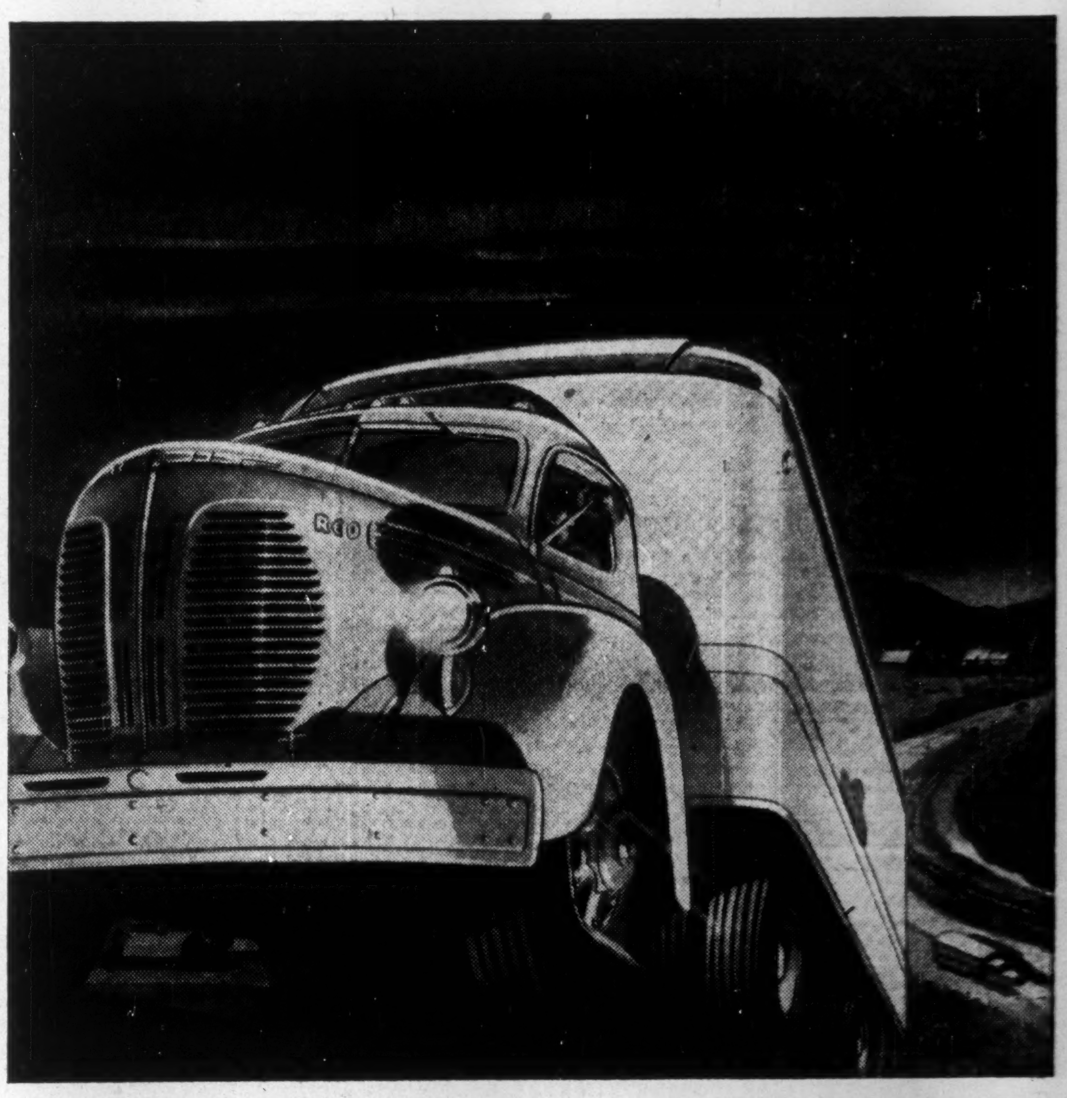
Edmonton dealers label "incorrect" statements only "green lumber" is being marketed: they maintain stocks now being sold are up to pre-war standard and properly dried in kilns and yards as in previous years.

Plywood Panel House for U. S.

Newest U. S. prefabricated house—a plywood panel job—is announced as going into production this month in an east coast plant. Producer is Shelter Industries Inc., New York, Donald Desky, president, Ralph Gully, architect. The house has two bedrooms, is ticketed at $4,685 at the factory, including heating, bathroom and kitchen equipment, but without basement or land. With the land and basement, average over-all delivered cost might be $6,025, it's estimated. First deliveries are expected by July 1.

Shelter Industries plans call for licensing other manufacturers, each to distribute within a 300-mile radius. Production goal is 200 a month soon after year end, if the dual promise materializes of government priority on supplies and government guarantee of a market.

"Stressed skin" plywood panels, designed by Desky and made by U. S. Plywood Corp. under the trade name "Weldtex," are used throughout, 4-in. thick for walls, 6-in. thick for floors and roof. Insulation in each panel consists of two layers of aluminum foil and three separate air spaces. The Shelter Industries house is designed to use Borg-Warner's mechanical core combining heating, bathroom and kitchen equipment. Since this unit won't be available to Shelter Industries until Sept. at the earliest, a comparable unit will be provided meanwhile.



For Distinguished Performance . . . STANDARDIZE ON REO

Today's big, powerful Reo trucks and tractors are favorites in the motor carrier industry, where equipment is judged solely on performance and ability to show a profit on every hauling job. Reo is *all truck* in every part. The massive cold-riveted frame, sturdy axles, springs and wheels are built to carry the load! The precision-built engine, with its many fine features, is designed to deliver the load on time and at low cost! Get the facts and you'll standardize on Reo. Built to fit today's transportation needs, Reo equipment is now being delivered through a nation-wide sales and service organization of distributors and dealers. REO MOTOR COMPANY OF CANADA, LTD., Toronto.

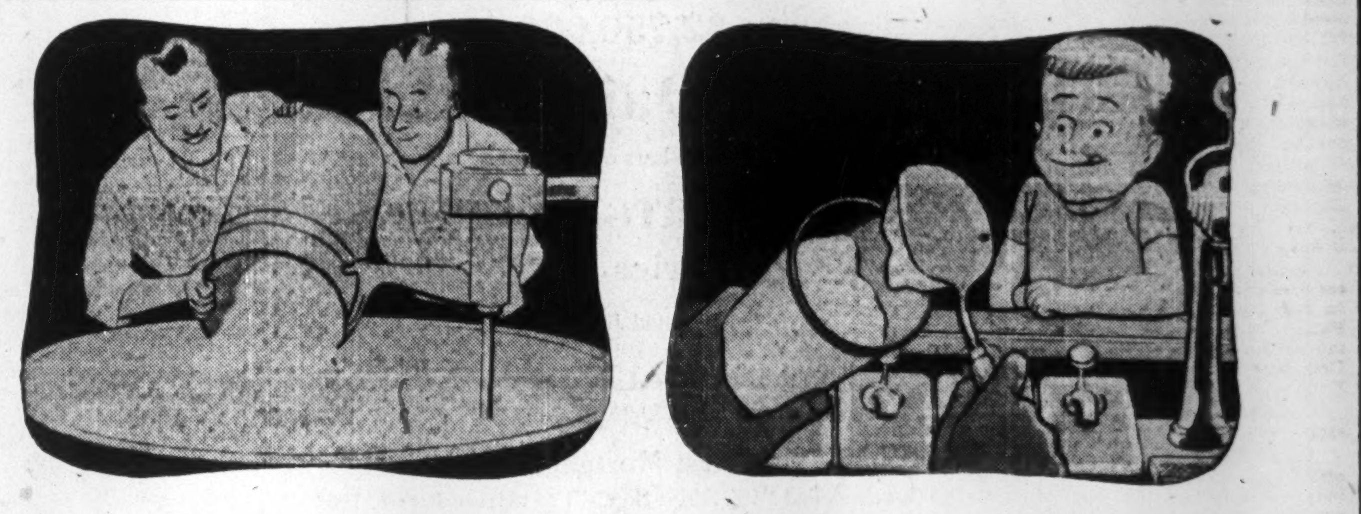
26-46

BUILT, SOLD AND SERVICED BY TRUCK SPECIALISTS

Brewing Corp. of Amer. Has Sharp Profit Rise

Brewing Corp. of America, subsidiary of Canadian Breweries, had a profit of $1,884,146 (including a non-recurring profit of $196,522) for the six months ended March 31, 1946—before federal and income profits taxes, estimated at $846,000. Net profit of $1,038,146, was equal to $7.16 a share ($404,982, or $2.70 a share, a year earlier). At a directors' meeting the regular quarterly dividend of 62½c. a share was declared, payable June 10 to shareholders of record May 25.

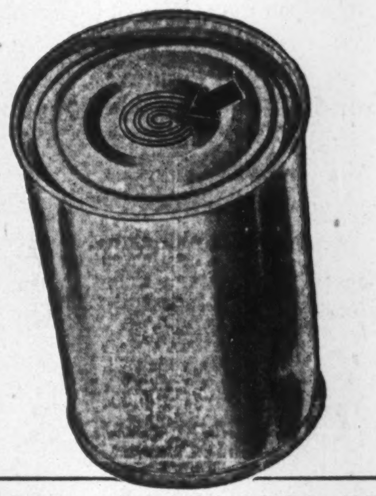
John Deere Plow Co., Moline, Ill., and Welland, Ont., expects to complete by June, 1947 its current plant expansion program in Welland, begun June, 1944, which greatly increases its capacity in corn and other binders. Eight new buildings have been erected in the program by Gardner Construction Co.; three remain to be started.



Metal drums for many things.........Containers that are right

CORN
Peaches

Cans that give variety...............To whet the appetite!



ARE ALL MADE BY CONTINENTAL CAN COMPANY

Whether it's a paper carton for ice cream, an appetizing label for canned food, or paper container reinforced with metal, every container bearing the Triple-C trademark is backed by the experience of research engineers and designers. Before the trade-mark is applied they study costs, filling properties, shipping and handling requirements, the dealer's problems of stacking and storing, and "eye-appeal" to the consumer. Write to our Head Office for expert advice on packaging your product—whether it's an old established one or a brand new line.

METAL DIVISION
General line cans—packers' cans—metal signs and specialties.

PAPER DIVISION
Mono-Paper Containers Limited, New Toronto, Ont.

SALES OFFICES
Montreal, St. Laurent, Toronto, Trenton, Winnipeg.

HEAD OFFICE
Continental Can Co. of Canada Limited
Sun Life Building - - - Montreal

KEEP YOUR EYE ON CONTINENTAL — PACKAGING HEADQUARTERS FOR CANADA

Canadian Cottons, Limited

Thirty-sixth
Annual Report for Year Ended March 31st, 1946

To the Shareholders:

Although a year has passed since V-E Day and nine months since V-J Day your Directors must take this first opportunity since last communicating with shareholders of voicing along with all lovers of liberty and peace, their profound thankfulness for the Allied victory and their hope that the new world order now in its birth throes will truly bring to all peoples the real and substantial liberties and freedoms which make for permanent peace and contentment. They wish to pay a tribute of praise, gratitude and respect to those who gave their lives that others might live and also to those who are left wounded and permanently handicapped. Let us all hope that such great sacrifice and suffering will bring lasting good and benefit to all mankind.

Your Directors submit herewith the Balance Sheet of the Company as at March 31st, 1946, with a Statement of Profit and Loss for the year ended on that date.

Net operating income, including subsidy, and after providing for Income and Excess Profits Taxes and other customary charges amounts to	$516,177.60
Income from investments amounts to	192,551.97
making a total of	$708,729.57
which has been distributed as follows:—	
6% Dividend on Preferred Stock	$198,312.00
Dividend on Common Stock	206,730.75
Balance transferred to Surplus	303,686.82
	$708,729.57

In spite of the fact that this is the fifth year in which the Canadian primary cotton textile industry has been operating under subsidy, the nature and application of which has been explained each year, there are still people responsible in the moulding of public opinion who misunderstand the character of the subsidy and its limitations.

Your Directors feel that their reference to this subject in last year's Annual Report was clearly stated and would refer shareholders and others to the paragraph therein explaining subsidy and its application to the primary cotton industry. On March 1st, of this year, the base price of raw cotton for calculating subsidy was raised by 4c. a pound thus reducing the subsidy payable by the same amount. To compensate the industry for this reduction an amount equivalent to the loss was added to the ceiling prices of yarns and fabrics at the direction of the Wartime Prices and Trade Board. The net result is the same to the industry but there is a marked saving to the Government in the amount of subsidy payable.

The cotton textile industry is still working under directives from the Cotton Administrator. The basis of the manufacturing directives is a "quota" stemming from a record of performance in 1940 and 1941. The basis of the price directives was explained in that portion of last year's Report dealing with "subsidy." While your Directors cannot speak authoritatively there does not appear to be any indication of an early release from controls. There is now a more serious world shortage of cotton goods than was indicated a year ago. The threat of inflation, therefore, is much greater. Your Directors feel that while the stress and strain caused by shortages of supplies continue some measure for controlling distribution and prices is socially and economically essential.

Freedom from controls carries with it the dangers and consequences of inflation. The severity of a resultant reaction from inflation varies directly with the degree of inflation.

Fortunately we have the story of what happened, when *uncontrolled* inflation and *uncontrolled* deflation ran wild, from as recent a period as the first Great War. No one with the memory of that experience can face a repetition of such conditions without alarm and anxiety.

Your Directors are of the opinion that the various Governmental authorities—and they would specifically mention our own Canadian authorities—are to be commended for the steps they are taking to fight the upward spiral of prices and are entitled to receive the whole-hearted support of all classes and categories of our people—producers and consumers—farmer, labour and those engaged in industry and finance.

An item appears for the first time on the liability side of the Balance Sheet under the caption "Capital Surplus"—$33,404.86. This represents the excess of sale value over net book cost of certain assets that have been sold during the year. This account will be further increased over the next year or two.

For the past number of years there has been included in the Depreciation Reserve an item of $600,000 intended for Special Plant Replacements. As this service is no longer required the amount has been transferred to the Earned Surplus Account, thereby bringing the Depreciation Reserve into line with rates allowed for Tax purposes.

Expenditures for the fiscal year on capital assets amount to $221,518.20. This is part of a considerably larger postwar replacement programme which will be completed over the next two or three years. Replacements are proceeding more slowly than your Directors expected. As far back as 1942 orders were booked for various kinds and types of textile machinery. Slow deliveries have been due principally to delays in the reconversion programmes of the machinery manufacturers and to strikes, particularly the steel strike. The soft coal strike will undoubtedly prove to be a cause of further delay.

The original cost of the budget for replacements has to be revised upwards as contracts at fixed prices are made. Nevertheless your Directors feel that to defer delivery of equipment for an indefinite period on this account would be a mistake for there is no assurance that prices have yet reached their peak.

References have been made in previous reports to a Pension Plan embracing all employees of the Company. The Plan as approved by your Directors was in turn accepted by 90% of all those eligible to participate. It went into effect on January 1st, 1946, and is therefore now operative. It has also been approved by the Taxation Authorities.

Under the Plan the Company undertook to pay the entire cost of past services of all eligible employees ranging from one day to thirty-nine years. In 1935 the Company segregated its Pension Fund obligations from its Balance Sheet. The segregated Fund having finally acquired sufficient money from the Company to meet the liability for past services up to December 31st, 1945, no further contributions are required to establish the Fund on a sound actuarial basis.

Costs for current services will be borne by contributions from both employees and the Company.

Your Directors believe the Pension Plan is deeply appreciated by both office and operating staffs. It goes a long way towards making for an independent life following the period of inevitable retirement due to advancing years.

The Company has experienced a steady annual decline in production of goods since the peak year of 1942. The ending of hostilities as marked by V-E Day checked this downward tendency while the last half of the year reflects an increase due to increased employment.

There is evident at the moment considerable restlessness among labour leaders for wage increases and reduction of working hours which if suddenly applied to all industry would undoubtedly release an inflationary spiral which in its consequences would ultimately hurt labour quite as much as the other categories of our economic and social structure. Your Directors hope that wise counsel will prevail and that labour will serve its best interests by seeking gradually to advance its living standards rather than attempting to take at any one time a disproportionate share of the value of production. There is still a great national loss resulting from inefficient operation and absenteeism, the first of which must be improved and the second eliminated before this country can expect to compete on level terms in international trade of the postwar period.

During the year wage increases were given all mill employees under the authority of the Regional War Labour Boards of Ontario and New Brunswick. Relations with our employees have been mutually pleasant and your Directors and officers wish to thank them for their loyal support.

The books and accounts of the Company have been duly audited and the Auditors' Report is recorded in the statements attached herewith.

Submitted on behalf of the Board of Directors,

R. G. TOLMIE,
Chairman.

E. C. FOX,
President.

Balance Sheet as at 31st March, 1946

ASSETS

CURRENT:		
Cash on hand and in banks		$ 506,368.14
Account Receivable—less reserve		1,150,464.22
Inventories as determined and certified by the management and valued at the lower of cost or market less reserve		1,711,709.83
Investments—at cost less reserve—Dominion Government and Corporation Bonds and Shares (Quoted Market Value as at 31st March, 1946—$8,258,250)		7,255,712.10
TOTAL CURRENT ASSETS		$10,624,254.29
SHARES IN SUBSIDIARY COMPANIES		3.00
DEFERRED CHARGES TO OPERATIONS		201,594.20
REFUNDABLE PORTION OF EXCESS PROFITS TAXES		186,615.61
CAPITAL ASSETS:		
Mills, Plants and properties — at cost — Balance as at 31st March, 1945	$19,334,955.99	
Additions for year	221,518.20	19,556,474.19
		$30,568,941.29

LIABILITIES

CURRENT:		
Accounts and Bills Payable		$ 371,258.61
Cotton Acceptances		1,175,772.00
Due to Subsidiary Company		125,651.28
Reserve for Income and Excess Profits Taxes	$ 845,000.00	
Less: Paid on Account	214,050.00	630,950.00
TOTAL CURRENT LIABILITIES		$ 2,303,631.89
CONTINGENT RESERVE		548,504.30
DEPRECIATION RESERVE		17,012,073.46
CAPITAL SURPLUS		33,404.86
REFUNDABLE PORTION OF EXCESS PROFITS TAXES		186,615.61
CAPITAL STOCK:		
Authorized—		
Preferred—6% Non-Cumulative 207,185 shares par value $20.00 each	$ 4,143,700.00	
Common—175,000 shares No Par Value	3,500,000.00	
	$ 7,643,700.00	

CANADIAN COTTONS LIMITED *(Continued)*

Issued and fully paid—		
Preferred—165,260 shares	$ 3,305,200.00	
Common—138,510 shares	2,770,200.00	
		6,075,400.00
EARNED SURPLUS—Per Statement attached		4,409,311.17
		$30,568,941.29

Signed on behalf of the Board:
E. C. FOX, Director.
J. IRVING ROY, Director.

Profit and Loss Account for the Year Ended March 31st, 1946

Operating Profit for year after including Subsidy, and after providing for items of Expenditure, A, B, C, D, E, F, as below noted		$ 516,177.60
Add: Income from Investments		192,551.97
NET INCOME FOR YEAR		$ 708,729.57
Deduct:		
6% Preferred Dividend	$ 198,312.00	
Common Dividend	206,730.75	405,042.75
SURPLUS FOR YEAR		$ 303,686.82
A. Depreciation	$ 275,897.27	
B. Executive Salaries	51,850.00	
C. Directors' Fees	10,575.00	
D. Provision for Taxes	450,000.00	
E. Legal Fees	8,771.44	
F. Contingent Reserve	50,000.00	

Earned Surplus Account

Balance at credit as at 1st April, 1945		$ 3,512,484.03
Add: Surplus for year as above	303,686.82	
Transfer from Depreciation Reserve to bring this reserve into agreement with Tax Department	600,000.00	903,686.82
		$ 4,416,170.85
Less: Premium paid on Preferred Shares purchased for cancellation		6,859.68
BALANCE AS AT 31ST MARCH, 1946		$ 4,409,311.17

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the books and accounts of Canadian Cottons, Limited, for the year ended 31st March, 1946. We have verified the Cash in Banks and the Investment Securities and the Revenue therefrom.

We have obtained all the information and explanations required, and in our opinion the attached Balance Sheet and Profit and Loss Account, based upon certified inventories presented, are properly drawn up so as to exhibit a true and correct view of the state of affairs of the Company as at 31st March, 1946, and for the year ended that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

Montreal, 25th April, 1946.

RITCHIE, BROWN & CO.,
Chartered Accountants.

India, Big War Customer To Buy More in Canada

India, after the United States and the United Kingdom, is Canada's best customer. She attained this position in 1944, having during the war overtaken seven countries including Australia and South Africa. Canadian goods shipped to India during 1945 were more than three times the value of these sent to Italy, the fourth ranking country; and imports to Canada from India were more than twice as great in value as those from Venezuela, the country holding fourth position.

These facts are revealed by Mr. M. R. Ahuja, India Government Trade Commissioner in Canada, in his latest report. Mr. Ahuja observes that, although there was a falling off of Canadian exports to India toward the end of 1945, there is every reason to believe that postwar trade between the two countries will vastly exceed the pre-war level.

Canadian exports to India during 1945 reached a new high of $307,461,000, up $132,667,000 over 1944. Increasingly heavy shipments of war supplies early in the year accounted for the increase; but with the end of the war against Japan there was a progressive decline. Large shipments of wheat and railway cars and parts were new items in the 1945 list, and exports of motor vehicles and parts, locomotives and food products showed large increases.

Sees Greater Expansion

Similarly, Canadian imports from India—valued at $30,568,000, an increase of $2,690,000 over 1944—set a new record. Mr. Ahuja predicts that when price ceiling regulations and export controls are released, and when shipping improves, India will greatly expand her trade with Canada.

The following figures summarize the story of the progress of Indo-Canadian trade relations:

1939	1944	1945
$	$	$
Canadian exports to India.......		
5,166,000	174,794,000	307,461,000
Indian imports to Canada.......		
9,808,000	27,878,000	30,568,000

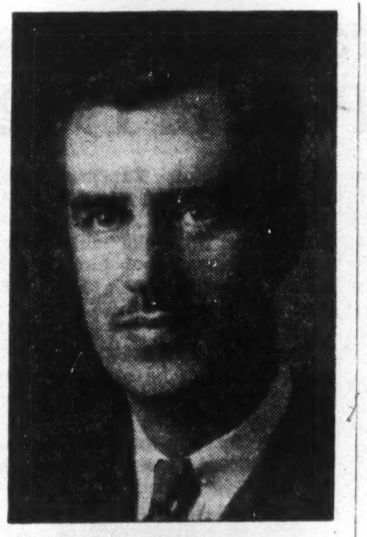
Principal Canadian imports from India in 1945, in order of importance, were: tea; jute and jute products; furs, hides and leather; carpets and rugs; wool; nuts; manganese oxide; coir and coir products; lac; raw cotton; chrome ore; spices; tanning materials; miscellaneous items such as seeds, precious stones, sports goods, vegetable fibres and bristles.

Chief Canadian exports to India during the same period were: food and food products (including alcoholic beverages); animals and animal products (including canned fish and milk products); automobiles, locomotives, railway cars and ships (including parts); firearms and cartridges; radios and batteries; newsprint; fibre and textile products; and explosives.

Counsels Countrymen

Mr. Ahuja stresses that actual and potential lines of export both of India and Canada are not only noncompetitive but are also complementary in nature. He voices an appeal to his own countrymen: "In the final analysis, it is by the quality and finish of your goods and the nature of the services you render to the world at large, that you will be judged. It is in your hands—the producers, the manufacturers, the shippers and the exporters—that the good and fair name of our country lies and the position that she may come to occupy in the postwar world."

Mr. Ahuja has advocated, since he arrived as Trade Commissioner to this Dominion five years ago, Canadian aid to her "sister nation" in the latter's industrialization. "This can and must be done," he says, "(1) by supplying much-needed capital goods, (2) by setting up, wherever possible and mutually advantageous, industries in India in joint partnership with Indian capital and management, (3) by providing technical skill and knowledge, and (4) by training Indian technicians and students in Canadian industries."



JACQUES FORGET

has been elected vice-chairman of the Montreal Stock 'Change.

Ottawa To Test Panel Heating

NRC Erects "Rooms" to Study Two Kinds in Actual Winter Weather

Answers to eight simple questions may go a long way to settle the future of panel or radiant heating in Canadian homes (The Financial Post, Feb. 23, 1946). National Research Council, seeking these answers, is building in Ottawa two small test buildings, in each of which will be simulated the conditions inside a fair sized room. Radiant heating research is directed by Dr. C. D. Nevin, chief of NRC's physics dept. No report can be expected for another year but so many enquiries had been received in recent weeks that the Council now departs from established policy on proposed research to outline the eight questions with which the radiant heating study will deal. Here they are:

Does radiant heating save 30% on fuel bill?

Does ceiling heating give a "heavy" feeling to occupants of radiant heated room even when ceiling temperature held at blood heat and room height at least 10 ft.?

Possible to heat in Canadian climate with floor heating alone, without reducing ventilation too much or upping floor temperature beyond endurance?

Are pipes which are embedded in concrete best for house of conventional timber construction?; what are possibilities of hot air in air spaces, and what kind of floor needed for this?

How serious the effect of window ventilation in cold weather on floor temperatures, particularly when ceiling heating used?; can higher floor temperatures be used to counteract this when floor heating used?

How does use of rugs increase heat requirement of building when concrete floor panel is right on ground?

Is more piping being put into radiant heating installations than is required?

If floor heating can't supply enough heat to keep building warm in very cold weather, is it better to supply additional radiant heat from wall or from ceiling?

COMPANY REPORTS

LOWER ST. LAWRENCE POWER Co. 1945 net profit was off somewhat largely as a result of increased tax provision. Operations in terms of customers served, power sold, and gross revenue, were highest in the company's history.

Setting of standard profits base is at present under review by the Dept. of National Revenue. A successful outcome would considerably improve the balance sheet position and earnings for 1944 and 1945.

Capital expenditures on plant, consisting largely of improved distribution facilities, amounted to $241,150. The company has undertaken a new hydroelectric development on the Metis River, one mile below existing plant.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net oper. prof.	$349,943	$302,899
Less: Deprec.	86,136	75,279
Bond int.	91,799	77,052
Amort. fin. exp.	5,621	......
Inc. tax res.♦	134,432	113,531
Net prof. & surp.	31,955	37,037
♦Incl. refund. EPT	21,603	17,424
Times Bond Interest Earned:		
Before deprec.	3.83	3.94
After deprec.	2.89	2.97
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$3.99	$4.63
Incl. ref. EPT	6.69	6.81
Com.: Excl. ref. EPT	d0.80	d0.55
Incl. ref. EPT	0.28	0.32
None paid on either stock.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$536,659	$39,636
Accts. rec.	54,765	63,442
Inventories	34,369	30,887
Total curr. assets	625,793	133,965
Invest. affil. cos.	125,753	125,639
Other invest.	7,200	9,200
Financing exp.	124,940	......
Misc. assets▲	81,529	75,772
Fixed assets‡	3,577,266	2,544,262
Total assets	4,542,481	2,888,838
Bank loan	......	150,000
Accts., etc., pay.	65,329	46,727
Taxes pay.	161,315	81,975
Total curr. liab.	226,644	278,702
Depr. res.	804,674	......
Contrib. re ext.	14,770	......
Funded debt	2,350,000	1,517,300
Capital stock	830,000	830,000
Surplus▲	316,393	262,836
‡After depr. of	......	597,118
▲Incl. refund. EPT	41,692	20,089
Working capital	399,149	*144,737

*Excess of curr. liab. over curr. assets.

W. D. BEATH & SON 1945 retained net profit was about same as for 1944. Reduction in sales due to termination of war contracts and increase in expense due to cost of reconversion to peacetime operations, was largely responsible for sizeable reduction in net earnings. Current operations are dependent upon the restricted supply of materials, and profit on operations will be governed by volume of production and increased wage rates and expenses now in effect, President Lance B. Beath states. To date Eastern Steel Products has purchased approximately 94% of class "A" shares and 97% of class "B" shares of the company.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$456,732	$694,160
Less: Deprec.	19,731	25,278
Taxes reserve♦	317,000	548,937
Add: Profit on secs. sold	875	3,375
Prof. on mach. sold	4,786	51
Net profit*	125,662	123,371
Less: Divds.	100,000	80,000
Surplus for year	25,662	43,371
♦Incl. refund. EPT	47,500	93,983

*Note:—Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Class A:		
Excl. ref. EPT	$1.26	$1.23
Incl. ref. EPT	1.73	2.17
Paid	1.00	0.80
Class B:		
Excl. ref. EPT†	d0.69	d0.73
Incl. ref. EPT†	0.26	1.15
None paid.		

†After full year's class A divd.

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bonds	$649,120	$684,574
Accts. rec.	236,409	457,195
Inventories	356,084	397,912
Total curr. assets	1,241,613	1,539,681
Misc. assets▲	263,245	212,416
Fixed assets*	454,950	464,465
Pats., goodwill, etc.	1,521,237	1,521,237
Total assets	3,481,045	3,737,799
Total curr. liab.	392,241	694,503
Invent. res.	50,000	50,000
Capital stock	2,687,500	2,687,500
Surplus▲	351,304	†305,796
*After depr. of	675,828	659,749
▲Incl. refund. EPT	160,500	106,843
Working capital	849,372	845,178

†After deducting loss of $32,082 on disposal of Regina fixed assets.

ANDIAN NATIONAL CORP. 1945 net profit was up 9.4%. Working capital at year end was $10,353,581—down $783.220.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Total net income	$2,390,971	$2,790,982
Less: Depr. & amort.	106,915	103,533
Taxes	814,029	882,189
Add: Invest. adjust.	......	280,778
Prof. on inv. sale	813,319	......
Net profit	2,283,346	2,086,038
Less: Dividends	2,550,000	2,550,000
Deficit for year	266,654	463,962
Earnings per Share and Dividend Record:		
Earned	$0.90	$0.82
Paid	1.00	1.00
Working capital	10,353,581	11,136,801

CELTIC KNITTING CO. 1945 retained net profit was up somewhat from the preceding year despite lowered production as a result of short labor supply. Net profit of $8,234 was carried to surplus account.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$49,865	$52,334
Less: Deprec.	6,175	4,980
Income tax. res.♦	35,456	39,585
Net profit	8,234	7,769
Less: Divds.	5,400	......
Surplus for year	2,834	7,769
♦Incl. refund. EPT	6,388	7,250
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.30	$0.29
Incl. ref. EPT	0.54	0.56
Paid	0.20	....

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$10,568	$10,095
Accts. rec.	48,303	33,083
Inventories	119,840	138,426
Total curr. assets	178,711	181,604
Investments‡	71,100	69,600
Misc. assets▲	20,991	14,604
Fixed assets*	72,021	70,549
Total assets	342,823	336,357
Bank loans	31,900	18,300
Accts. & tax. pay.	41,014	57,383
Total curr. liab.	72,914	75,683
Capital stock	193,500	193,500
Earned surplus▲	76,409	67,174
*After depr. of	179,073	172,898
‡Market value	73,200	71,525
▲Incl. refund. EPT	20,991	14,604
Working capital	105,797	105,921

EASTERN UTILITIES 1945 net profit was up 22.7%. Increase in income from investments is to be ascribed, mainly, to a favorable year for subsidiary companies and a satisfactory settlement of most tax problems arising from the war, F. B. McCurdy, president, states.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net revenue	$157,519	$138,884
Less: Debent. int.	43,202	45,745
Net profit	114,317	93,139
Less: Pref. divds.	15,125	15,125
Surplus for year	99,192	78,014
Times deb. int. earned	3.65	3.04
Earnings per Share and Dividend Record:		
Pref.: Earned	$4.16	$3.39
Paid	0.55	0.55
Common: Earned	3.97	3.12
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Total curr. assets	$38,143	$28,313
Invest. in subs.	2,712,395	2,682,395
Total assets	2,750,538	2,710,708
Total curr. liab.	17,807	18,744
4½% debentures	916,000	973,000
Capital stock	1,403,103	1,403,103
Earned surplus	413,628	315,861
Working capital	20,336	9,569

TUCKETT TOBACCO CO. retained net profit for the year ended Mar. 31, 1946, was up 5%. Income from investments was $135,926 ($123,221 the previous year).

INCOME ACCOUNT

Years Ended Mar. 31:	1946	1945
Net earnings	$833,841	$819,407
Add: Inv. inc.	135,926	123,221
Less: Deprec.	61,522	61,095
Income taxes♦	419,760	416,427
Net profit	488,485	465,106
Less: Pref. divs.	140,000	140,000
Ord. divs.	300,000	300,000
Surplus for year	48,485	25,106
♦Incl. refund. EPT	26,259	35,155
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$24.42	$23.26
Incl. ref. EPT	25.74	25.01
Paid	7.00	7.00
Ord.: Excl. ref. EPT	13.94	13.00
Incl. ref. EPT	14.99	14.41
Paid	12.00	12.00

CONDENSED BALANCE SHEET

As at Mar. 31:	1946	1945
Cash & Dom. bonds	$736,398	$696,615
Sundry debtors	109,563	45,204
Inventories	2,914,397	3,142,105
Total curr. assets	3,760,358	3,884,124
Inv. in & adv. to sub.	2,255,217	1,950,244
Misc. assets▲	163,615	145,444
Fixed assets	1,153,983	1,094,935
G'will & t'marks	2,478,672	2,478,672
Total assets	9,811,845	9,553,419
Accts. & tax. pay.	1,013,391	859,602
Divds. payable	185,000	185,000
Total curr. liab.	1,198,391	1,044,602
Bldgs. mach. res.	1,123,148	1,117,387
Capital stock	4,500,000	4,500,000
Surplus▲	2,990,306	2,891,430
▲Incl. refund. EPT	154,122	139,290
Working capital	2,561,967	2,839,522

COMBINED ENTERPRISES LTD. report from incorporation, July 7, 1945, to Dec. 31, shows sales well maintained and net profit before taxes of $93,526.

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Canadian Marine Insurance Losses Reduced Steadily Since Peak of 1942

Underwriting losses of Canadian companies writing marine insurance in 1942 exceeded by $121,000, total underwriting profits made in 1941, 1943 and 1944, the Dominion Department of Insurance announces.

Losses incurred by Canadian companies in 1942 exceeded $3.3 millions, of which $2.9 millions was on business written outside Canada. Losses are believed to have occurred mostly on the North Atlantic where German submarines were most active. Some losses also occurred in the Pacific at the beginning of the Japanese war, but after the first few months of 1942, protective methods proved fairly effective, and losses were not so heavy.

Business of British and foreign companies resembled that of Canadian concerns in that results in Canada were more favorable than elsewhere. As indicated in the accompanying table, Canadian companies showed moderate losses in their foreign business only, in 1941, losses on both domestic and foreign business in 1942 and an underwriting profit in both classes in 1943 and 1944.

While British and foreign companies had their heaviest losses in 1942, they showed an underwriting gain on their Canadian business every year. The table shows the results of their Canadian business only. It is stated their heaviest losses came on business written abroad.

Submarine destruction of shipping which reached its height in 1942, continued heavy early in 1943 and then tapered off, the situation improving fairly steadily until the war ended. The premium rate for war risks on the North Atlantic between Canada and the United Kingdom, which rose from 2½ cents per $100 to 10% of the total value of cargo or hull, is now down to about 12½ cents per $100; still above the prewar level, due to the danger of mines broken loose from their moorings.

The Dominion Department of Insurance, in compiling the figures obtained from the different companies, has assumed an expense ratio of 25% of premiums written for Canadian companies. Expenses of the British companies average 26.6%: 19.8%; 17.8% and 22.3% for the four years covered in the table respectively. Expenses of foreign companies averaged 21.6%; 11.6%; 14.6% and 18.4% of premiums written in each of the four years respectively.

Expenses of Canadian companies are assumed to be higher on business outside Canada than on business written in Canada.

Generally it appears that the marine insurance has been profitable on business written in Canada.

Losses in 1942 included hulls of vessels as well as cargoes. After 1942 the U. S. Government took over the insurance of hulls. Losses, however, started to drop about that time, but the companies because they could not write hull insurance were unable to profit from the better experience. They continued to write insurance on cargoes, however, where the experience also improved.

The record for the four years covered by the Dominion report, follows:

Year		Premiums Written $	Premiums Earned $	Losses Incurred $	†Expenses Incurred $	Underwriting Profit $
*Canadian Companies—						
1941	(a)	479,141	477,654	240,304	119,785	117,565
	(b)	2,023,541	1,850,267	1,421,511	505,885	—77,129
	(c)	2,502,682	2,327,921	1,661,815	625,670	40,436
1942	(a)	564,460	545,375	407,615	141,115	—3,355
	(b)	3,236,730	3,166,824	2,955,027	809,183	—597,386
	(c)	3,801,190	3,712,199	3,362,642	950,298	—600,741
1943	(a)	418,523	415,452	229,594	104,631	81,227
	(b)	2,579,306	2,630,574	1,844,093	644,827	141,654
	(c)	2,997,829	3,046,026	2,073,687	749,458	222,881
1944	(a)	427,757	445,184	243,551	106,940	94,693
	(b)	2,243,025	2,308,158	1,625,277	560,756	121,625
	(c)	2,670,782	2,753,342	1,869,328	667,696	216,318
British Companies—						
1941		2,762,205	2,736,602	1,194,168	736,067	806,367
1942		6,680,367	6,540,545	3,338,760	1,121,378	2,080,407
1943		4,689,357	4,649,593	2,569,478	836,910	1,243,205
1944		3,353,710	3,358,053	955,182	749,246	1,653,625
Foreign Companies—						
1941		2,770,576	2,715,891	1,346,718	598,635	770,538
1942		7,050,716	6,832,942	4,237,588	816,991	1,778,363
1943		4,953,179	4,974,171	2,132,214	720,888	2,121,069
1944		2,972,894	3,033,881	973,685	548,072	1,512,124
All Companies (in Canada)—						
1941		6,011,922	5,930,147	2,781,190	1,454,487	1,694,470
1942		14,295,543	13,918,862	7,983,963	2,079,484	3,855,415
1943		10,061,059	10,039,216	4,931,286	1,662,429	3,445,501
1944		6,754,631	6,837,118	2,172,418	1,404,258	3,260,442

†For Canadian companies, 25% of premiums written.
*(a) In Canada; (b) Outside Canada; (c) Total.

FOREIGN TRADE ENQUIRIES

Herewith The Financial Post offers a further collection of enquiries in a service to Canadian business. The following are definite trade proposals and enquiries for Canadian goods from firms in foreign countries.

The queries here listed come from foreign readers of The Financial Post, other Maclean-Hunter publications and particularly from Industrial Progress, the Maclean-Hunter publication of Canadian trade abroad.

As an additional free service similar concise statements of trade proposals by Canadian firms producing industrial equipment for export will be published by Industrial Progress which circulates in more than 30 foreign countries. Please send your announcements to the same address.

The service is designed to facilitate our foreign trade by assisting firms here to find out about foreign business opportunities and to contact business firms directly and immediately.

Write The Foreign Trade Service Bureau, The Financial Post, 481 University Ave., Toronto 2, for full information on any bulletin below and please give the code number preceding the item.

(CM156), BRAZIL—Firm dealing in agricultural machinery asks for catalogues and price lists from Canadian manufacturers of milling machines, lathes and similar machinery.

(CM157), INDIA—Firm of engineers and iron founders seeks source of supply in Canada for foundry products to be used in the production of chilled cast iron. Full details and catalogues are requested.

(CM158), AUSTRALIA — Municipal engineer interested in receiving details, including catalogues and prices, of electricity distribution equipment.

(D111), SOUTH AFRICA—Importer seeks proposals from Canadian firms able to export building materials, timber, textiles, clothing, etc.

(G89), INDIA—Importing company representing British and U. S. firms of high standing seeks a source of supply in Canada for glass bottles for cosmetics and perfumes and other plastic containers. Has a definite enquiry from a cosmetic manufacturing concern for the following: 2 oz. capacity white flint glass cream jars with plastic or enamelled colored screw cap; 4 oz., 8 oz., 16 oz. bottles for hair oils and other types of liquids, fancy colored plastic caps; lipstick containers for lipsticks of size 11 mm. dia. by approximately 32 mm. overall length, bullet end, plastic; plastic containers for compact powders 2 in. dia. A sample of each is required, by sea mail.

(CM159), NEW ZEALAND—State coal mine seeks information on modern lighting for industrial plants. Canadian firms are invited to send catalogues and details.

(U49), UNITED STATES—Manufacturing company in Oregon seeks a source of supply for direct purchase of shearlings; requirements are modest but constant, and satisfactory references are offered.

(CG18), PORTUGAL—Import-export merchant, acting as representative for houses dealing in foodstuffs, seeks connection with Canadian manufacturer of macaroni, and pastes for soup, packed in 20-lb. boxes, prices to include 5% commission. Bank references given. Correspondence in English, French, Portuguese and Spanish.

(CM160), INDIA—Firm of manufacturers and engineers, specialists in galvanizing and welding, express interest in air conditioning, refrigeration, engineering, nonferrous metals, etc. Canadian manufacturers are invited to send catalogues and literature.

(G90), ARGENTINA—Importing company, purchasing directly, asks for full details, including catalogues and price lists on all textiles, principally linen and rayon piece goods.

(D112) INDIA — Export-import company seeks exclusive representation in India for Canadian firms able to export the following: Brushes, buttons, cutlery, cosmetics, jewellery, leathers, chemicals, textiles, needles and pins, rubber goods, perfumery, etc. Proposals are invited from Canadian manufacturers. Bank references given.

(CM161), BRAZIL—State-owned railway asks for information on railway equipment and rolling stock, including catalogues and price lists.

(U41), ECUADOR—Manufacturer of panama hats desires to contact Canadian firms interested in importing this commodity; suggests small trial orders set sent by air mail, buyers indicating whether ladies' or men's hats are required. Terms for settlement at present are: Prices in U. S. currency, payment through an irrevocable letter of credit by first-class bank against delivery of shipping documents.

Livestock

Experience in insurance companies writing livestock insurance in Canada in 1945 was as follows:

	Net premiums written	Net losses incurred 1945	Ratio
Canadian Co's.	$	$	%
Candn. Fire	2,365	1,179	49.85
Halifax	281	2,055	731.32
Totals, 1945 ...	2,646	3,234	122.22
Totals, 1944 ...	3,776	2,060	54.56
British Co's.			
Lloyds*	34,704	18,775	54.10
Yorkshire	293	103	35.15
Totals, 1945 ...	34,997	18,878	53.93
Totals, 1944 ...	770	1,850	240.26
Foreign Co's.			
Hartford Livestk.	35,911	7,997*	22.27
Indemnity Ins. ..	15,512	5,800	37.39
Totals, 1945 ...	51,423	13,797	26.83
Totals, 1944 ...	45,543	16,347	35.89
Grand Totals 1945	89,066	35,909	40.31
Grand Totals 1944	50,089	20,257	40.44

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New Fellowships Are Offered By Imperial Oil Ltd.

To promote scientific research in industrial fields and to provide higher educational opportunities for Canadian students, Imperial Oil Ltd. has established four annual research fellowships and eleven undergraduate scholarships, President H. H. Hewetson announced. Each research fellowship is valued at $1,000 a year and may be held for three years; each undergraduate scholarship is valued at $500 a year and may be held for four years.

Research fellowships are open to any graduate of a Canadian university for postgraduate work leading to masters' or doctors' degrees. One fellowship will be awarded in each of the following subjects: chemistry or chemical engineering, mechanical engineering, petroleum engineering and petroleum geology.

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Elected President of the Insurance Accounting and Statistical Association at the 24th Annual Meeting held in Dallas. Membership comprises three hundred companies in the United States and Canada. Mr. Stowe is the first Canadian to be honored with the Presidency. He is Assistant Actuary of The Manufacturers Life Insurance Company.

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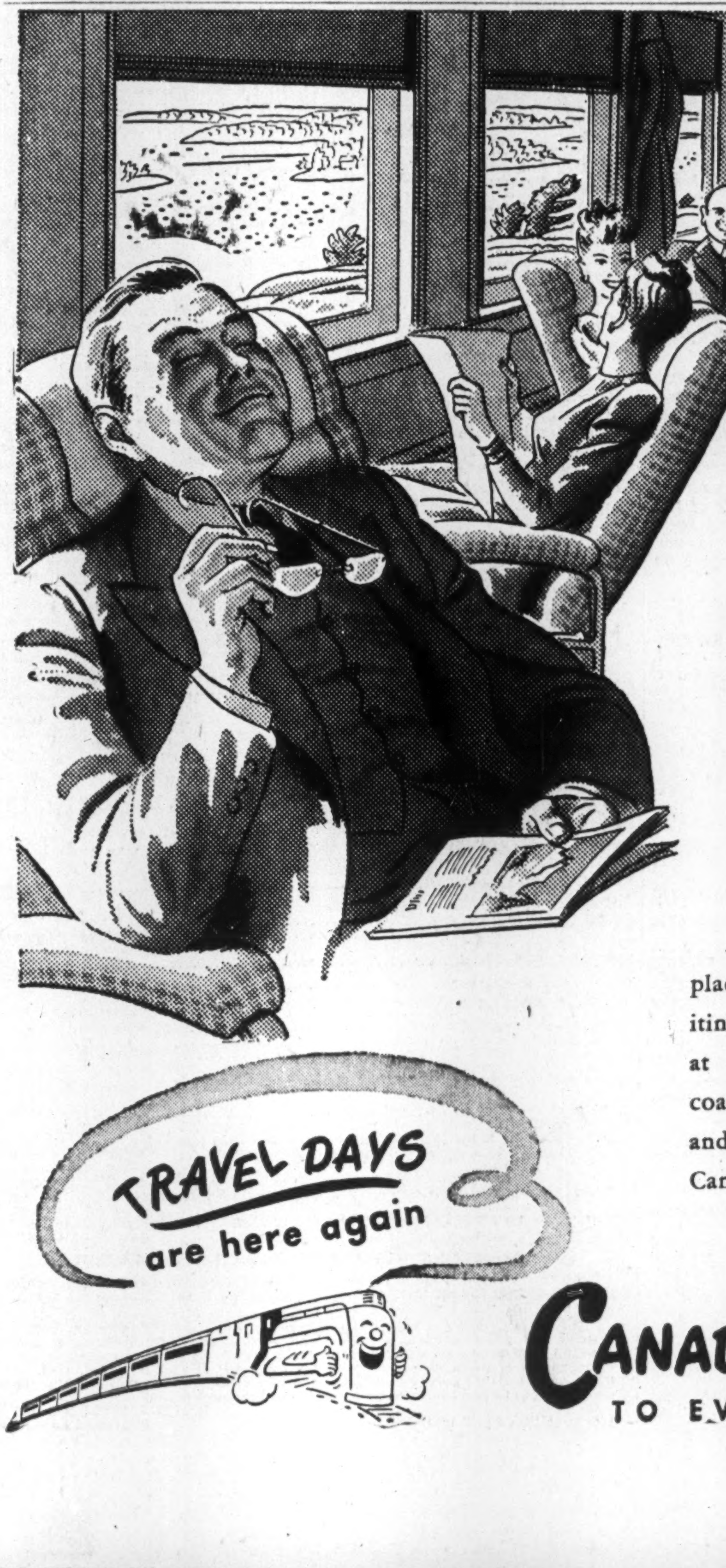
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More Active Overseas Business Seen In Chartered Banks Loans, Deposits

More active foreign business and higher prices abroad are reflected in recent monthly statements of the chartered banks which show call and current loans and deposits elsewhere than in Canada well above last year's levels.

A large part of the expansion is attributed to conditions in Cuba, the West Indies and South America which normally provide a substantial part of the banks' foreign business. With a general tendency to release controls and free trade of wartime restrictions and a larger sugar crop in Cuba, for example, with prices somewhat higher, banking figures have also risen.

With more money required to finance the sugar crop movement in various producing areas, bank loans and deposits are bound to rise also. Another factor mentioned is that Canadian imports of coffee from South America have shown a substantial rise this year, which again means a heavier demand for the services of the Canadian banks.

Branches Abroad

Other areas outside Canada where the Canadian banks operate are the United Kingdom and the United States and France. In the latest edition of the Bank Directory, foreign branches of the Canadian chartered banks are distributed as follows: United Kingdom 7, United States 11, France 2, British West Indies 39, Cuba 24, Latin America 21.

Before the war, one of the banks had an office in Spain which was closed when civil war broke out. Two branches in France have been reopened recently and generally banking business abroad is getting back to normal as quickly as political conditions and the pace of reconstruction enables them to do.

In the regular monthly statements of the banks to the Finance Minister the banks' foreign business is not broken down according to separate areas, but grouped under general headings accordingly it is impossible to say definitely just how much of the business in any one department arises in a certain area.

Sugar Crop and Loans

Most of Canada's foreign call loan business arises in New York, while a large part of current loan business outside Canada is done in Cuba, the British West Indies and Latin America. In some cases the business is seasonal. Sugar loans usually rise during the early summer sugar harvest and coffee loans during the spring coffee harvest. The large sugar crop which is now about harvested in Cuba and Porto Rico at a higher price than last year has helped to boost sugar loans there. The situation in this respect is compared to that in Canada when the grain harvest is on.

While the foreign business is all part of the general business of the chartered banks, in some cases it is carried on distinct from that done at home. Some of the banks, in fact, have formed subsidiaries to operate abroad while in other cases, the foreign branches are operated much as if they were distinct institutions. About 15% of the banks total business is carried on abroad, it is estimated.

The following table shows how the more important items in the banks' foreign business on March 31 compare with last year and 1939. Call loans show a substantial increase in both comparisons. Current loans, while substantially above the 1945 level, are only slightly above the 1939 figure. In some quarters it is believed that while current loans in the West Indies and Latin America are higher than in 1945, borrowing in Great Britain and France is not yet up to the pre-war level Total deposits show the largest expansion of any item and much of this is attributed to increases in individual accounts in the sugar and coffee-growing countries. The foreign deposits include deposits actually held elsewhere, but also deposits of foreign currency held in Canada for foreign account and payable in the appropriate exchange. This item totalled $60.9 millions on March 31. up $6 millions from last year and down $22 millions from the 1939 level.

Foreign exchange was formerly an important item in bank operations. Now the banks act merely as agents of the Foreign Exchange Control Board. The revenue from this item is, however, believed satisfactory.

Important items of the banks' foreign business in the March 31 bank statements follow:

Foreign Business of Canadian Banks

	—March 31—		
	1946	1945	1939
	millions of $		
Call loans	105.9	90.9	49.4
Current loans	149.0	119.9	144.4
Due by for. banks	223.4	225.5	203.3
For. currency held	87.2	90.5	29.2
Pub. for. securities	251.2	218.2	71.2
Deposits	799.8	739.3	452.3
Due banks U. K.	30.8	41.5	12.5
Due other banks	84.4	56.2	48.3
Letters of credit	153.1	112.9	54.8

EDWIN RALPH ROWZEE

has been appointed director of marketing and research of Polymer Corp., Sarnia, Ont.

BANK OF CANADA

	May 15 1946	May 8 1946
Liabilities	$	$
Capital paid up.	5,000,000	5,000,000
Notes in circc.	1,110,468,404	1,111,513,843
Rest fund	10,050,367	10,050,367
Deposits: Dom.	83,099,467	76,847,079
Chart. banks	518,070,195	559,044,448
Other	53,369,336	59,992,458
Total deposits	654,538,998	695,883,985
Liabs. pay. in sterling, U.S.A., and For. Gold currencies	18,527,422	23,587,422
All other liab.	28,797,741	19,138,718
Total liabs.	1,827,382,932	1,865,174,335
Assets		
Sterl. & for'n ex.	18,527,422	23,587,422
Subsid. coin	399,249	401,393
Investments:		
Dom. govt. sh.	1,236,040,663	1,253,804,020
Oth. Dom. govt.	532,274,969	552,979,138
Other secs.	10,000,000	10,000,000
Total invest.	1,778,315,632	1,816,783,158
Premises	2,421,744	2,421,626
All other assets	27,718,885	21,980,736
Total assets	1,827,382,932	1,865,174,335

Lower Interest Rate Group Get Slight Setback In U. S.

While the Government policy of maintaining low interest rates has caused considerable criticism in financial circles in Canada, so far there has been no conflict of opinion in official quarters.

In the United States, however, a brisk struggle has been going on for some time between the treasury officials and the Federal Reserve Board. The Treasury which does the Washington Government's borrowing is interested in maintaining or extending the existing low rates. But the Federal Reserve Board is worried about the inflationary effects of a low interest, big debt financing policy; would like to prevent interest rates going lower.

About two weeks ago the Federal Reserve Board scored a point by withdrawing the preferential discount rate of one half of 1% it established early in the war on U. S. short term treasury securities. Banks wanting to discount these securities now have to do so on the open market at the regular discount rate of 1%. The ½% rate was intended to give treasury certificates a little extra appeal to the banks and thus tended to encourage higher prices.

The Federal Reserve move is regarded as indicating that the board thinks interest rates are at least low enough. Grudging acceptance by the Treasury of the board's action is regarded as a slight victory for those opposed to any further lowering of interest rates.

While it has been stated that Canada is pursuing an independent course, developments in the United States are being watched closely, as many believe that any definite action there would have a decided reaction here.

COMPANY REPORTS

NORTHERN TELEPHONE CO. 1945 net profit was up about $4,000. Total number of telephones in use as at year end was up 3,130, at 20,190. A new common battery switchboard was purchased for Kapuskasing and a new central office erected there. A new pole line was erected between Noranda and Taschereau. Additional switchboard sections have been ordered for Noranda and Kirkland Lake offices.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Gross earnings	$725,445	$605,479
Net earnings	244,543	213,662
Less: Deprec.	82,839	76,242
Other interest	549	634
Income tax	86,811	65,985
Net profit	74,344	70,801
Less: Dividends	47,797	47,796
Surplus for year	26,547	23,005
Earnings per Share and Dividend Record:		
Earned	15.6c	14.8c
Paid	10.0c	10.0c

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$232,263	$227,099
Accts. rec.	63,668	45,610
Inventories	30,918	16,310
Total curr. assets	326,849	289,019
Unearn. ins.	......	70
Fixed assets	1,672,356	1,539,660
Total assets	1,999,205	1,828,749
Accts. & tax. pay.	180,531	131,690
Other curr. liab.	27,185	21,661
Total curr. liab.	207,716	153,351
Unearn. rentals	36,097	29,393
Deprec. res.	862,949	780,109
Capital stock	477,960	477,960
Surplus	414,483	387,936
Working capital	119,133	135,668

CANADIAN COTTONS net profit for the year ended March 31, 1946, was up 19.5%. End of hostilities checked a downward trend in production since 1942 and the last half of the year saw an increase, due to increased employment.

This spring, base price of raw cotton for calculating subsidy was raised by 4c. a lb., thus reducing the subsidy payable by the same amount. To compensate the industry, an amount equivalent to the loss was added to ceiling prices of yarns and fabrics. Result is the same to the industry but there is a marked saving to the Government. The cotton textile industry is still working under directives from the Cotton Administrator.

Expenditures for the fiscal year on capital assets were $221,518—part of a considerably larger postwar replacement program, to be completed over two or three years.

INCOME ACCOUNT

Years Ended Mar. 31:	1946	1945
Net earnings†	$1,484,627	$1,532,845
Less: Depreciation	275,897	339,863
Taxes reserve	450,000	550,000
Contingent res.	50,000	......
Pension fund	......	50,000
Net profit	708,730	592,982
Less: Pref. divds.	198,312	200,436
Com. divds.	206,731	165,030
Surplus for year	303,687	227,516

†Includes unstated subsidy.

Earnings per Share and Dividend Record:		
Pref.: Earned	$4.29	$3.55
Paid	1.20	1.20
Com.: Earned	3.69	2.85
Paid	1.35+0.15	1.20

CONDENSED BALANCE SHEET

As at Mar. 31:	1945	1944
Cash	$506,368	$1,039,161
Accts. rec.	1,150,464	1,251,161
Investments▲	7,255,712	6,766,327
Inventories	1,711,710	790,863
Total curr. assets	10,624,254	9,847,512
Misc. assets♦	388,213	273,455
Fixed assets	19,556,474	19,334,956
Total assets	30,568,941	29,455,923
Accts. & tax. pay.	2,303,632	1,764,807
Pension fund	......	50,000
Total curr. liab.	2,303,632	1,814,807
Deprec. res.	17,012,073	17,336,176
Contingent res.	548,504	514,741
Capital stock	6,075,400	6,091,100
Capital surplus	33,405	......
Earned surplus♦	‡4,595,927	3,699,099

‡Reflects transfer of $600,000 from depr. res.

▲Market value	8,258,250	7,063,250
♦Incl. refund. EPT.	186,616	186,615
Working capital	8,320,622	8,032,705

MCLELLAN GOLD MINES advises that April 15 installment of 50,000 shares at 7 cents has not been exercised and balance of agreement to Verona Rock Products has been terminated for default.

Adjust Taxes Is Plea of B. C. Paper Industry

From Our Own Correspondent

VANCOUVER—If the pulp and paper industry is to continue progress on the Pacific coast it must receive more encouragement from government in the form of tax adjustments, executives of some of the larger B. C. companies insist.

President Harold S. Foley of Powell River Co., which has spearheaded much of the industry's expansion and has committed itself to expenditure of several millions of dollars, contends that continuation of the Excess Profits Tax Act is mistaken policy. He argues that Canada should adopt the same course as Britain and the United States in modifying such levies.

"The entire tax structure needs a careful overhaul," says Mr. Foley.

One of the proposals advanced at the recent Dominion-Provincial Conference, would empower the provinces to tax mining and logging operations either through royalties or taxes on the net profits from such operations.

"It would mean," says Mr. Foley, "that the poorer the job a company does in manufacturing and marketing a product of the raw material, the lower its tax bill would be. This type of taxation puts a premium on inefficiency and will discourage investment in technological developments that require heavy expenditure of capital."

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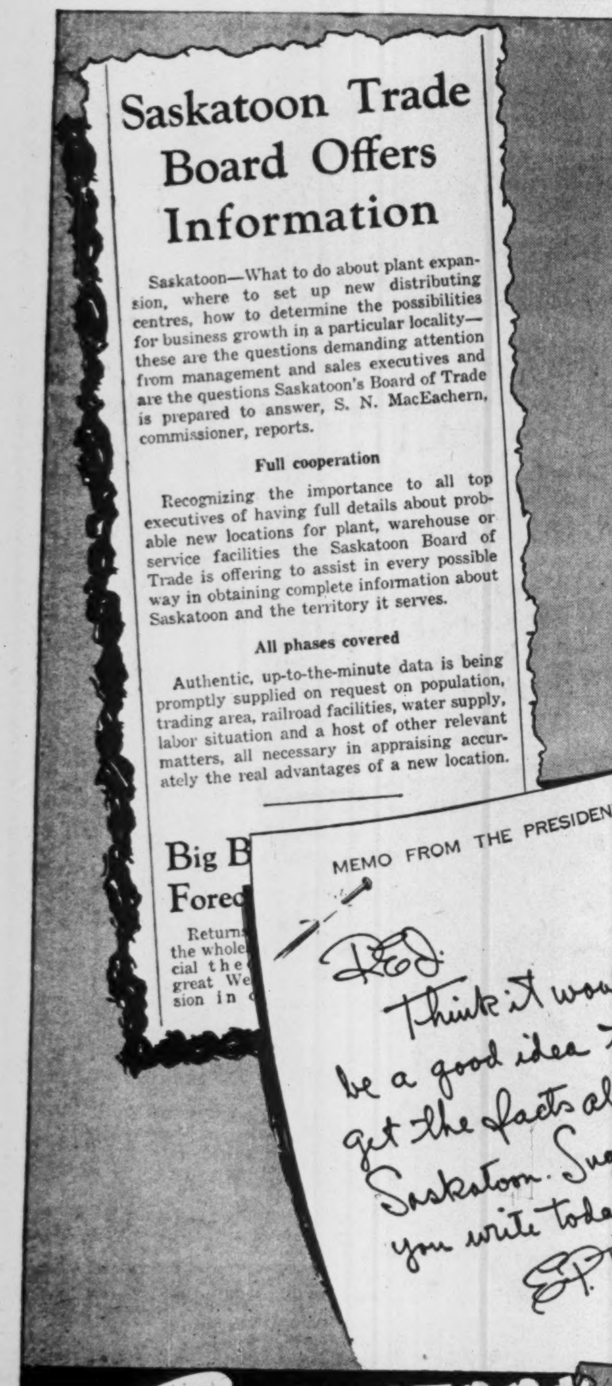
LUNWARD GOLD MINES has received payment covering an additional 30,000 shares at 40 cents. Issued capital—2,090,005 shares.


Saskatoon Trade Board Offers Information

Saskatoon—What to do about plant expansion, where to set up new distributing centres, how to determine the possibilities for business growth in a particular locality—these are the questions demanding attention from management and sales executives and are the questions Saskatoon's Board of Trade is prepared to answer, S. N. MacEachern, commissioner, reports.

Full cooperation

Recognizing the importance to all top executives of having full details about probable new locations for plant, warehouse or service facilities the Saskatoon Board of Trade is offering to assist in every possible way in obtaining complete information about Saskatoon and the territory it serves.

All phases covered

Authentic, up-to-the-minute data is being promptly supplied on request on population, trading area, railroad facilities, water supply, labor situation and a host of other relevant matters, all necessary in appraising accurately the real advantages of a new location.

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BOARD OF TRADE
Commissioner S. N. MacEACHERN

Toronto House Shortage Put at 74,000 Dwellings

Veterans Chief Victims of Deficit Long in Making, Reconstruction Council Survey Finds In First Report of Three by Humphrey Carver

Metropolitan Toronto "needs" at least 74,000 new houses, duplexes or apartments in the next ten years, possibly 94,000, because of accumulated shortage, population increase and neglected obsolescence. Past production, instead of a "required" 7,000 a year has averaged 2,400 since 1931.

Immediate future need is on five counts, as follows. Needed to:

	Thousands of Housing Units
Meet accumulated shortage	18.0
Restore vacancy margin	3.2
House the populat'n increase	29.0
Rebuild blight areas	3.8
Replace other obsolete houses	40.0
(a) replace obsolescent housing 20,000	
(b) maintain normal process of replacement at 50-year cycle .. 20,000	
Total need in postwar decade	94.0

That is the finding of Toronto Reconstruction Council's 1946 local housing survey, in the first report of three, published recently. It is a purely quantitative study of requirements, contains no implication either that there will be an effective economic demand for the calculated number of houses, or that the building industry will be capable of filling such a demand. Subsequent reports will cover Toronto's ability to pay for the required number of houses, and the costs it may expect.

The survey, begun in February, and financed by City of Toronto ($6,000), Dominion Government's Central Mortgage & Housing Corp. ($4,000) and Ontario Dept. of Planning ($2,000), is being conducted by the University of Toronto School of Social Work, under direction of Dr. H. M. Cassidy and Major Humphrey Carver, former lecturer in architecture at the university.

Carver's calculations are based on assumption that a desirable housing condition will exist when each family or household can be accommodated in a separate dwelling unit.

Veterans Waiting

Because building has been well below needs of population growth since 1930, and because wartime industrial development sped cityward migration, veterans are outstanding victims of a housing shortage long in the making. A survey in Feb.-March, 1946, disclosed that of 5,000 men being discharged from the Army in Toronto, 36% were married men in need of housing, the wives living with parents (20.8%), in rented rooms (9.9%) with another family (2.3%) or overseas (3%).

Since July, 1945, 4,000 vets a month have been arriving in Toronto area from overseas, more than 32,000 by Feb. 28. Taken as an accurate sample, the survey of 5,000 indicates 36% of the 32,000 vets or 11,500 need housing. Add to this the housing needs of 10,000 men back from overseas before July 1945, plus Toronto area servicemen discharged from stations in Canada, plus unmarried vets returning to parents' homes but planning to marry and keep house.

Against this demand, Dept. of Labor, in a periodic survey launched last summer, found only 3,737 housing units being built between July-Dec. 1945. By year-end, only 709 of these had been completed, 384 others were three-quarters finished or better and another 663 over half-completed. Assuming all 3,747 will have been completed by July 1946, then theoretical needs of married vets may have been cut to 7,773 though the reduction would be less because many moving into new housing will have been doubled up, thus did not release equivalent accommodation.

Manufacturers To Get Priority On Own Wares

MONTREAL (Staff)—To protect manufacturers' trade marks and registered names, War Assets Corp. will give these manufacturers first opportunity to buy back their products when disposed of as surplus goods. This should also eliminate the possibility of disruption of employment in plants producing these goods, by surpluses being thrown on the market.

Consumers are also protected by the policy since trademarked surplus articles sold on the domestic market by the manufacturer will be backed by his guarantee and serviced by his representatives. When trademarked surpluses appear, manufacturer is notified and given priority to purchase his own goods.

Department Stores Combine Object—More Buying Power

MONTREAL (Staff)—Something new in the way of buying and merchandising techniques by the smaller Canadian department stores is indicated by the recent announcement of the formation of Allied Merchandisers of Canada Ltd. (The Financial Post, May 11). At present the company, composed of eight independent department stores, will operate along trade association lines. This is indicated by its statement that the object of the organization is for the exchange of ideas on merchandising, advertising, accounting, sales promotion, public relations, management, etc.

Some observers feel that this is probably the first move by smaller department stores to protect themselves in domestic and foreign buying markets against the big buying power of the larger department stores. And it is reported that other stores are anxious to obtain membership either in this or some similar organization. In the present sellers' market member companies in AMCL whose combined capital runs well up in the millions, should now be able to compete for hard-to-get merchandise on a more equitable basis with their bigger competitors.

Keyman in the organization is its manager, E. Stanley Lindabury, well-known in buying and merchandising circles. Mr. Lindabury was with the Hudson's Bay Co. since 1927 as merchandising manager in the Winnipeg store, and later headed up its marketing and buying office in Toronto. His job with AMCL is primarily to keep members informed regarding market conditions, new products, new merchandising methods. Mr. Lindabury states that AMCL will not be used as a central buying office nor will the company employ a staff of buyers at present. It is likely, however, that buyers who are specialists in a certain type of merchandise will be engaged as these lines open up.

It is felt here that although the company at present will operate along trade association lines the way is still open for closer cooperation among member companies. More important at present, however, is the advantage of combined purchasing power in getting exclusive packaging and styling of merchandise for its members.

Time Payments Promise Return

Finance Companies May Lose to Retailers and Acceptance Corps.

Early and inconclusive figures on current installment buying habits among Canadians would indicate their desire to return to the down-payment-and-so-many-months plan as soon as adequate supplies of expensive consumer durables are available.

Leading Canadian department stores tell The Financial Post the few refrigerators, washing machines, radios, etc., offered up to the present have, in the main, been snapped up for cash. Meantime, dollar volume of time-payment sales has been maintained "surprisingly well" in the absence of these major household items. Accounts in some stores are about on a par with good prewar years; others are up nearly 30% above 1938.

When payments to veterans on their special 90-day contracts are included, current dollar volume has a definite edge on 1938 for the first four months of this year. Abnormal conditions of supply and demand, however, make month-to-month totals an uncertain barometer.

Consumer credit in Canada is still under WPTB control. Still required is a down payment of one third the purchase price, with 10 months to pay a deferred balance of less than $500, 15 months a greater balance.

Canadian finance companies, in five years of restricted credit buying, have been gaining steadily in balances outstanding—from $9,851,485 in 1940 to $17,333,311 in 1944, the last year for which complete statistics are available. At end of April, 1946, the balance outstanding on the books of the Dominion's biggest finance company was up about 45% over its 1944 figure; but this is qualified by the fact that five new branch offices have been opened by the company in the last four months.

Finance men attribute their wartime gains to curtailment of other sources of consumer credit. They expect a dropping off of business as soon as the buying public can resume installment buying through retailers and acceptance corporations on a pre-war scale; and they suggest that an increase in the cost of doing business may force finance companies back to the maximum 2% interest charge allowed by law. Four major firms are today making small loans at less than the maximum; some as low as 1½%.

Price Bros. Refundings Mean 63c. on Common

MONTREAL (Staff) — Following closely upon its recent bond refunding, Price Bros. & Co. announced that they will seek shareholder authority to redeem the outstanding 56,137 shares of 5½% $100 par redeemable preferred stock at par and accrued dividends. Shareholders will be asked to approve creation of 50,000 shares of a 4% cumulative redeemable $100 par value preferred stock. Effect of the bond and preferred stock refundings indicates earnings on Price Bros. common would have been $0.63 higher than the $2.81 (excl. EPT) actually shown, other things being equal.

R. Mitchell Co. Will Produce EKCO Brands

MONTREAL (Staff)—High production level is indicated by recent developments at The Robt. Mitchell Co. here. A contract with Ekco Products Co. of Can, provides for manufacture in Canada by the Mitchell Co. of the Ekco lines of pressure cookers, household aluminum ware, flint cutlery, diecast kitchen tools. Increased production of anodized aluminum is also being provided by construction of a new and larger anodizing bath.

The Ekco company will look after sale and distribution of its own products but President S. C. Holland of the Robt. Mitchell Co. states that the directors have granted Ekco an option on balance of the authorized, unissued common stock — 27,600 shares—at $30, Canadian funds. Option is subject to certain conditions as to volume of business placed and, when taken up by the Ekco Co., will give it some voice in the manner in which its products are manufactured, Mr. Holland states.

Anodizing was started at the plant midway in the war and up to now has been done in a small 17 in. x 14 in. x 16 in. bath. New bath measures 14 ft. x 4.5 ft. x 2.7 ft., which will permit handling bigger articles and larger rackings. Mitchell Co. uses the "alumilite," sulphuric acid anodizing process and its anodized products sell under the trade names "Permalum" and "Analite." Once the bigger anodizing bath is in operation, it is proposed to use the small one as a pilot plant for experimental work, or to put through small batches of work and small articles. Bulk of anodized articles turned out at the Mitchell Co.'s plant is contract work for other aluminum fabricators. Anodized aluminum can be finished in either natural aluminum or colored, with dyes similar to good grade aniline dyes.

Four Oil Companies Buy Pipe Line to Montreal

Four Canadian oil companies have acquired all the outstanding stock of the Montreal Pipe Line Co., which owns and operates a pipe line from the international boundary near North Troy, Vermont to Montreal East. The companies are—British American Oil Co., Imperial Oil Ltd., McColl-Frontenac Oil Co., and Shell Oil Co.

In addition, through a newly formed subsidiary, Portland Pipe Line Corp., these companies have acquired all the assets to the Portland Pipe Line Co. which owns and operates a pipe line running from Portland, Maine to connect with the line of the Montreal Pipe Line Co. This gives the companies a continuous system from Portland to Montreal.

Share interest in both of these companies is held 40% by Imperial and 20% by each of the other companies. The lines have a capacity of about 60,000 bbls. per day and permit a continuous supply of crude oil to Montreal refineries on a year-round basis. The lines were acquired from Standard Oil (NJ.) and were built during the war to shorten tanker runs to Montreal.

QUEST YELLOWKNIFE MINES reports election of J. M. MacIntosh as president, Col. C. H. Walker vice-president and consulting engineer, and Dr. G. C. Ridland a director. Plans for current season are estimated at $66,000, and $100,000 is reported in treasury.

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New design in tire body permits the use of tougher cords . . . and more of them . . . giving 35% greater strength.

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Both these tires are new . . . new in engineering design, made of a new kind of rubber . . . and both will outwear pre-war tires. They are the greatest mileage tires of all time . . . built by B. F. Goodrich.

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The Financial Post

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B. C. Strike Hits Hopes of Big Rise In Canada's Lumber Output This Year

OTTAWA—Each day of the B.C. timber strike, which began May 15, costs Canada at least 5 million board feet of lumber.

If the strike lasts three months, as some people in Ottawa think quite possible, the loss might exceed half a billion feet, or 10% of the entire estimated 1946 production.

Such figures are so disastrous at this critical stage in the housing and reconstruction program that they overshadow steps taken here at Ottawa to boost lumber supply.

Until the strike paralyzed the west coast, the government felt some progress had been made toward breaking lumber supply bottlenecks for 1946.

Picture Was Brighter

Five positive achievements were recounted:

1. Upward price adjustments across the board for timber, plywood, hardwood flooring, etc.
2. Diversion of labor into tight manpower areas.
3. Assistance in getting equipment priorities, including bulldozers, tractors, trucks.
4. Country - wide enforcement against black markets.
5. Aid in respect of export markets.

Woods and mill operations in Canada this winter and early spring all pointed to an all-time record lumber cut for Canada in 1946. Officially, the 1946 goal is put at 5 billion feet, against an estimated 4.6 billion cut in 1945.

Added to this, release of timber used in the past by the armed services and for other war purposes meant a very substantial upswing in amount actually available for domestic use in Canada. The total was put close to 3 billion feet—again an all-time record of available domestic supply for the Canadian market. Had such a figure been reached, it would have meant an increase of approximately 25% in the total supply for non-military use in Canada in 1946.

Quite apart from over-all production, two of the biggest headaches for 1946 have been distribution of lumber and expansion of available millwork, trim and door capacity. It takes more than rough lumber to build houses and stores. It also takes proper distribution of that lumber as to quality, geographical and trade channels.

Two factors had increasingly bedevilled the normal marketing of lumber under postwar conditions:

1. Constant and increasing pressure for export at prices considerably higher than the Canadian ceiling.

2. Removal of the 8% sales tax in 1945.

To give the lumber industry a better "break" in export sales, operators for 1946 were given a free hand to export to the country of their choice after U.K. and U.S. requirements were met. Previously, lumber to foreign markets had been pretty carefully allocated. As well, once the two-year postwar U.K. contract requirements were filled (this calls for 250 to 290 million feet in 1946 from the east coast and 650 million from B.C.) then U.K. buyers in Canada were required to pay the going export price.

Removal of the 8% sales tax, was designed to give retailers a "break." When the tax was removed there was no corresponding change in the ceiling price; the retail trade got most of the benefit. Producers and wholesalers continued to operate for the most part under ceiling prices established in 1943.

Prices Up; Enforcement In

With lumber for 1946 housing and other building requirements under tremendous pressure early this year, heavy black marketing, direct selling and other devices developed throughout many parts of Canada. As a result:

(a) a special enforcement drive by WPTB officers has been turned loose on the lumber business in Canada.

(b) as at May 1, an over-all 8% price increase f.o.b. mills was granted across the country.

(c) Hardwood flooring was given a special $12 price boost (about 14 to 16%) to offset material and other increases in cost.

(c) Plywood shared the 8% over-all increase in lumber.

Thus the major weapons being used this spring to increase and regularize the flow of lumber into housing and other essential channels are higher prices and a crackdown on black markets. How successful these efforts will be may depend in large measure on the length of the B.C. strike.

Strike Threatens Effort

A long strike will unquestionably play hob with the best efforts of government officials to straighten out the continent-wide shortage of lumber. Early settlement of the strike will not find lumber in good supply at least until the fall.

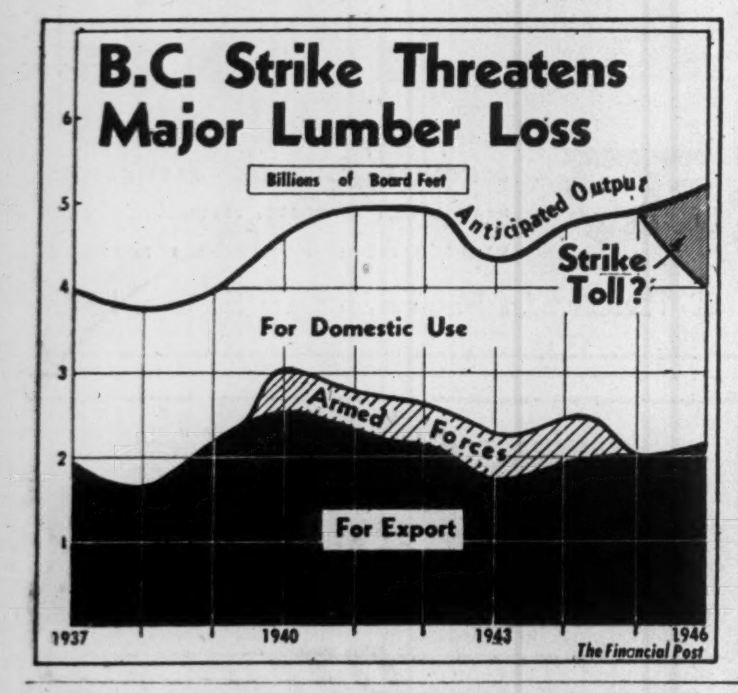
Wartime lumber shortages, as is well known, wiped out regular inventory of seasoned lumber in central and eastern Canada. There has been no opportunity to replace those inventories. Thus at present, when normally building needs would be met from inventory, the market has gone berserk drawing on meagre winter stocks. Unquestionably, black marketing has been prevalent, with buyers going to any lengths (and especially short-circuiting regular trade channels) wherever possible to obtain supplies.

Barring long - drawn strike troubles in B. C. and elsewhere, it is hoped that the narrowing of the "spread" by reason of an 8% price rise f.o.b. mills and the gradual increase of 1946 supplies on the market, will help straighten out conditions, at least by fall.

One final factor is the policy or program eventually followed by the government in respect of any effective control over "non-essential" building.

To date, efforts of the government to pass the control ball to individual municipalities has been almost completely unsuccessful. This indicates that a great number of projects will be started which may never be finished for lack of windows, doors, millwork, etc. Thus a lot of lumber might disappear during 1946, for which no finished or usable product would be forthcoming.

How Strike May Cut Home Supplies



Tourists Are Everybody's Business

When It Comes to Making Tourist Dollars Swiss Could Give Us Some Know-How

By ROBERT R. ROBINSON

Switzerland and tourists: they go together like ham and eggs, or St. Bernards and brandy. London's Punch has described the Alps as being greasy with climbers, and many a visitor to the Swiss has returned with the observation that they are a nation of hotel keepers. But what hotel keepers! The best in the world, it is freely conceded.

How did Switzerland build that reputation? She's a tiny nation with an area 5,000 sq. mls. smaller than Nova Scotia, a population about one third that of all Canada. Into her crowded lebensraum she manages to pack an annual tourist population about equal to a quarter the number of natives. The secret?—beautiful mountains, lakes and pastoral settings, clear, invigorating air, thousands of hotels with a tradition of faultless courtesy, and hotel keepers and servants with proud pedigrees of family service.

50 Switzerlands Here

But Switzerland has no monopoly on mountains, lakes and fresh air, you may argue. They're the things Canada has in profusion. As a matter of fact in the mountainous region of Alberta, B.C. and the Yukon, Canada has, literally, 50 Switzerlands in the raw. What do we lack then, besides the yodel and a Canadian William Tell?

We lack, for one thing, an awareness of the pressing necessity of capitalizing on our abundance of tourist fodder. Switzerland saw the tourist business as her best bet for making up a 30% deficit in foreign exchange. She saw that a long time ago and built her trade in foreign guests up to the point where it could do that. Still building, a few years ago the Swiss Government appropriated 4½ billion francs (roughly $1 billion) for the use of unemployed workers in constructing new highways, double-tracking and extending railways, building new hotels and air fields big enough to take the largest commercial planes. For decades she has spent other billions on training courteous, multilingual personnel to keep the Swiss tourist machine running smoothly.

Canada, with her transcontinental vastness, her industrial diversity and her scattered population need scarcely aspire to be another nation of hotel keepers. But Canadian hotel keepers and the many others whose prosperity hinges upon the comings and goings of visitors from other countries, notably the U.S., might do worse than take a glance at how the Swiss do it.

A Seventh of National Income

Switzerland, with its stake in the tourist business running to a tenth the total capital invested in the country, pre-war, with one seventh its national income from paying guests, got the jump on the rest of the world away back in the 18th century. Long before advertising and the tricks of press agentry were born, the Swiss had a philosopher, Jean Jacques Rousseau, starting a boom for scenery. They had writers like the German poet Goethe coining phrases that lured readers to the Alpine peaks. By the time the movies and radio came along, Switzerland had made names like Lucerne and St. Moritz the accepted symbols of vacation in luxury. It's all been good for business.

You've got to tell people what you have; and, having told them, you've got to live up to your word. Switzerland had plenty — three fifths of her 16,000 sq. mls. in mountain grandeur, another fifth in unspoiled forest land— and she added to her natural beauties the world's finest hotel system, the world's most cultivated courtesy. She added 3,367 miles of railroad network; 3,100 miles of good mountain roads; well-kept mountain paths for hikers, all equipped with rest houses and SOS telephone boxes. Switzerland set herself the task of providing whatever the visitor might conceivably ask for, and at a profit. She told about the things she had to offer, quietly and persuasively, through world-wide offices for the development of Trade, in beautifully prepared publications and by polite word of mouth.

Canada Needs Tourists

Canada, starting with far richer natural tourist attractions, with 50 times over the Alpine terrain, with more lakes than you could shake an alpenstock at, and untold forest wealth, plus seashore and inland scenery in infinite variety, climates ideal in all four seasons, has a long way to go to equal Swiss hospitality. Yet Canada, too, has a worrisome trade balance problem to which tourists could supply the answer. In the first article in this tourist development series it was shown that doubling our annual tourist income from the U.S. would keep our precarious trade balance with Uncle Sam permanently out of the red. It was shown that in the opinion of experts and in the light of facts, multiplying our tourist income by two is not only possible but easy—if Canada can take a leaf or two from Switzerland's book, or at least give the whole catalogue of tourist technique a careful reading.

Straight imitation of Swiss ideas has not been conspicuously successful in Canada to date. Take the case of the Alpine Club of Canada. It was founded in 1906, presumably on the pattern of the much earlier Swiss Alpine Club. The Canadian mountain-climbing members at last report numbered about 600; while there were 34,100 members of the Swiss men's and women's clubs. The Swiss clubs maintain 124 branches, have built 120 Alpine huts for the convenience of climbers. The Canadian imitator has fixed up six huts and one cabin.

Import Mountain Climbing

To boost the sport here, the Canadian Pacific Railway imported Swiss guides for its mountain hotels, establishing them in a model Swiss village, Edelweiss, near Golden, B.C., and building a lodge at Lake Louise, a hut on Abbott Pass. Support from other sources has not been forthcoming; yet there must be enough potential mountain climbers among America's thrill-hungry millions to cover most of the toeholds in all the craggy Rockies. Why don't we follow through the idea begun by the Alpine Club of Canada and naturalize the sport?

A real effort to import mountain climbing from Switzerland the way skiing was imported, comparatively recently, from the Scandinavian countries might do for Alberta and B.C. and, perhaps, the Yukon what skiing has done for the Laurentian area of Quebec. Alberta shares with the other Prairie provinces title to Canada's poorest tourist revenue, yet it has the makings of a year-round mountain playground for vacationists in every income bracket. All the foothills province needs is heavy capital investment in scenic highways and railway routes, foot trails dotted with hostels and lodges and resort hotels to suit purses of varying thicknesses. From then on Rocky Mountain ballyhoo should do the trick.

Inaccessible to Many

The purse angle is vital in this business of bringing the mountains to the smaller income Mahomets of Paducah Centre, U.S.A. Today a large part of our Rocky Mountain playground is accessible only to those who can afford $15 per person per day for guides, ponies and paraphernalia. Every family in America earning, say, $50 a week and up should be a prospect for some kind of vacation trip; and what could be more healthful and should be cheaper than mountain hiking? Before the war the Youth Hostel Movement had spread from Europe and gained some encouragement here. It should be a natural in our national parks.

The national parks of Canada—already 11 times the area of Switzerland—entertained about a million guests in their best pre-war year. Their primary purpose, Parks Board officials tell The Post, is the conservation of wild life. Only secondarily are they "for the enjoyment of the Canadian people and their visitors." No place along the line

(Continued on page 23)

Switzerland Did It, Why Not Canada?

Here's how the Swiss built up Europe's oldest, most successful tourist trade:

1—They had merchandise and market—10,000 sq. miles of mountains, 3,200 sq. miles of forest, 250 medicinal springs, hundreds of miles of lakes and streams, high, clear air, and a crowded continent to buy these at rich men's prices.

2—They spent money—$1 billion for highways, railways, air fields, hotels in one program alone.

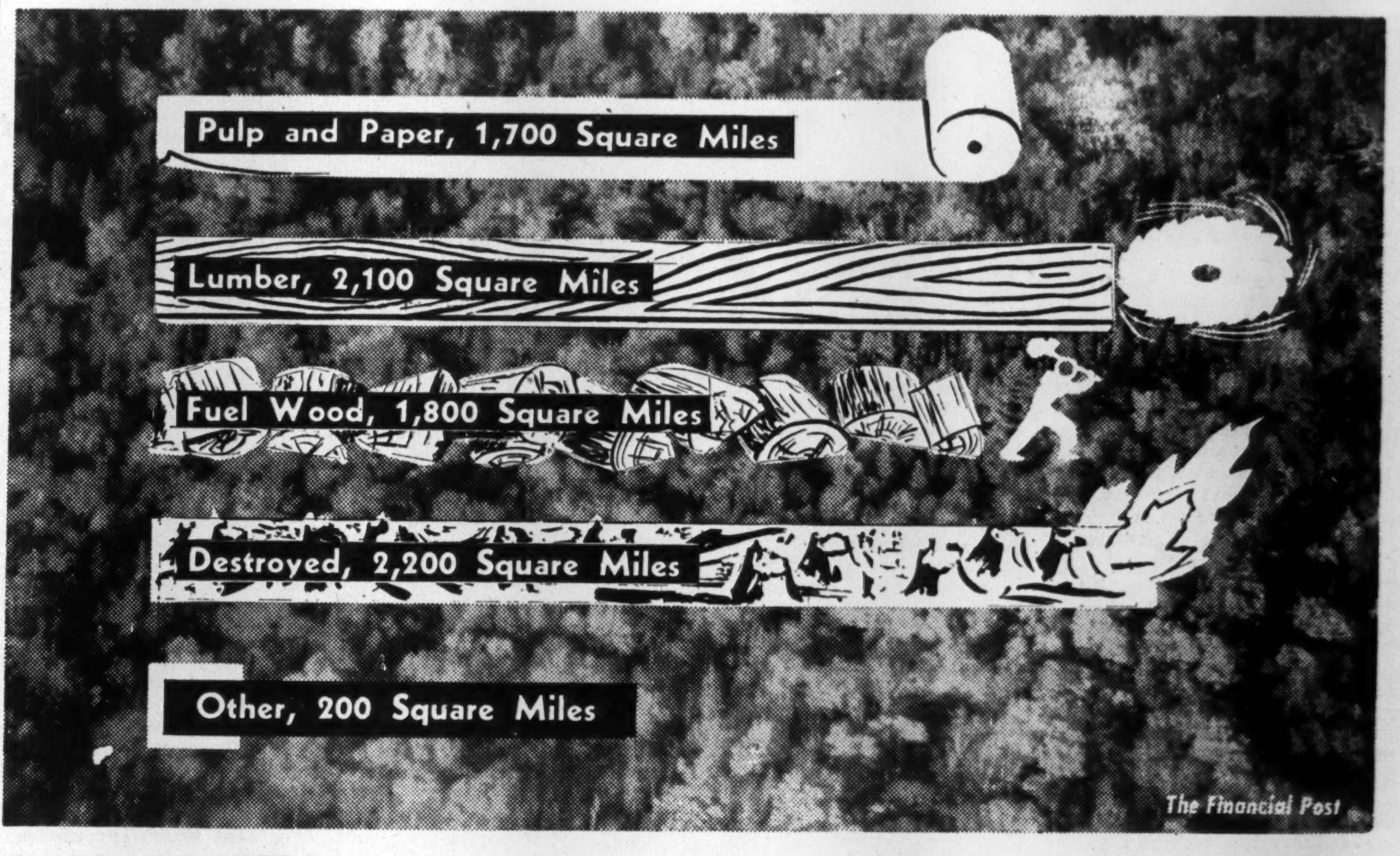
3—They provided facilities—7,500 hotels, 200,000 beds, 1,160 winter sports hotels, accommodation for 9,600 health resort guests, 3,367 miles of railways, 3,100 miles of mountain roads.

4—They trained personnel—120,000 hotel workers qualified in schools that have turned out generations of experts in courtesy and service.

5—They let people know—through offices abroad, elaborate advertising, they keep up a holiday name established in the 18th century.

CANADA—has more merchandise, a bigger market, more money to invest. She needs greater facilities, more and better personnel, advertising.

Why Conservation is Crucial — We Roll Back 8,000 Square Miles of Forest a Year


Pulp and Paper, 1,700 Square Miles
Lumber, 2,100 Square Miles
Fuel Wood, 1,800 Square Miles
Destroyed, 2,200 Square Miles
Other, 200 Square Miles
The Financial Post

Science Winning Long Battle for Conservation Forest Industry Learns Need of Banishing Waste

Canada has taken the first step toward preserving her forest resources as a perpetual national asset, and a lonely battle by a group of scientists for many fruitless years is beginning to make progress at last.

Alarmed by the swift depopulation of U. S. forests as civilization marched across the country, forestry engineers and others pleaded with Canadian authorities for adoption of regulations which would prevent the denuding of forest areas by unplanned cutting and lack of proper conservation measures. Investigating commissions in almost every province studied the inroads being made into available timber lands and recommended government action. Their recommendations moldered in government files. Most recent to join the field was the report of Chief Justice Sloan of British Columbia, following five months of investigation into woods operations in that province.

The B. C. Government has so far taken no action to implement his recommendations for "sustained yield" forest operations, but the fact that timber operators are understood to be largely in accord with his findings and the fact that one province has already taken the first steps to reach the same goal are expected to bring implementation of at least some of his provisions.

Ontario's Plan

Hon. W. G. Thompson, Ontario Minister of Lands and Forests, disclosed to members of the Legislature this spring that management units have been created in the province to ensure that timber limits are allotted to woods operators on a scale that will permit annual cropping of the area, without depleting its resources.

Signed agreements have been entered into between the department and the twin industries of lumbering and pulp and paper, setting aside 35 million acres of timber to be cut on the sustained yield principle. Limits have been allocated in proportion to the capacity of the mill for which timber is destined. Management plans have been prepared to show the operator in each case how his cut must be regulated and the productive capacity that must be installed to utilize the annual cut. Other agreements, based on the same principles, are being drawn up and it is expected that, eventually, virtually all Crown timber lands in the province will be made available for timber operations only on the sustained yield basis.

The radical step toward timber control was taken, Mr. Thompson said, "to develop a balanced relationship between the available timber supply and the industries that depend on that supply for their raw material."

Plenty of Forest Yet

Canada's forests, taken as a whole, are a long way from being in danger of depletion. We still have a million square miles of forested area in the country—a territory equal in size to the country of Argentina.

But the supply of wood from those forests is not inexhaustible as that figure might suggest. Only one third of all that timber is of merchantable size and quality. That means we have an area of merchantable timber in Canada equal to the area of Southwest Africa—some 320,000 square miles.

And, of that total supply, barely half is accessible at present. The 150,000 sq. miles of accessible, merchantable timber would cover completely an area equal to the size of Poland. From that area, we cut each year enough timber to cover the entire island of Sicily.

Because so much of our timber is not accessible and so little of what can be reached is marketable, the annual cut of 180 million cords of wood in Canada has, until now, been concentrated in comparatively small areas, close at hand to means of transportation or to mills. Areas have been cut out completely, to provide the biggest return at lowest cost, and as a result of this practice, our best forest areas have been reduced to a critical point.

"High Grading" Our Forests

That is the reason that provincial governments have recently turned their attention to methods whereby timber can be cut and handled as a perpetual crop, with timber limits being allotted to operators in proportion to their productive capacity. Until now, forestry authorities say, we have been "high grading" our timber, instead of cropping it. As a result, while the total amount of available wood has not decreased, its availability has.

Residents of districts where intensive woods operations have been in progress for some years can testify to that. Timber operators themselves can give even more eloquent testimony from their cost sheets. For timber limits have been pushing back farther and farther from centres of population, requiring longer hauls to the mill, a wider field of operations needing supervision and higher costs generally.

Publication of the Sloan report in British Columbia called national attention to this state of affairs last January, but forestry department officials in every province had been considering the situation for a long time before that. Chief Justice Sloan recommended that timber limits be leased to operators in perpetuity, large enough to provide at least 60 years' supply of timber. Under his plan, operators would cut over one sixtieth of their land each year, operating in a wide circle so that, when they had cut all around it, the first section would be ready for a second cut.

A Shorter Cycle

A second method of "cropping" timber follows the same principle, with a slight difference in application. Instead of dividing the limit into 60 sections, one to be cut each year, proponents of the second school of thought would divide the same area into 20 sections, cutting only the thoroughly mature timber in one section each year and returning to it 20 years later.

This plan is endorsed by many forestry authorities, including the top men in the U. S. Department of Agriculture. Two big advantages claimed for it over the 60-year cycle are:

1. A higher percentage of big logs can be cut each year in this way. Trees too small to make good saw timber are cut in the 60-year plan, whereas, if left to grow another 20 years they would be of more profitable size.

2. After 20 years, the mortality rate of mature trees increases sharply. An area uncut for 20 years shows negligible loss from disease, fungus and insects. By 30 years loss from these causes has risen to about half a cord per acre. By 50 years the loss has jumped to more than four cords per acre and by 60 years, loss is over six cords.

Estimates of the ideal rate of cutting to produce sustained yield vary according to the type of tree and local conditions, but authorities have calculated that six cords per acre is a safe average in most pulpwood limits, when operating on a 60-year cycle. However, in 60 years, any given tract of timber will have produced six new cords ready for cutting, plus six cords that matured and died in the interval. By cutting the same area every 20 years, it is maintained, the "harvest" could be doubled.

Insects a Menace

Chief threat to any program of forest conservation based on annual "cropping," however, comes not from unscrupulous operators or careless cutters, but from the ravages of nature herself. Of all the wood removed from Canadian forests last year, for instance, roughly one quarter went into lumber, one quarter into pulp and paper, one quarter into wood products of many kinds and one quarter was destroyed by fire and insects. In other words, for every three trees cut by man, a fourth was total loss.

There are a number of insect menaces to our forests, but the one causing most concern at the moment is the spruce budworm. For two years now it has been on the march in Ontario and Quebec. Estimates of its toll range from 5 million to 10 million cords of wood per year.

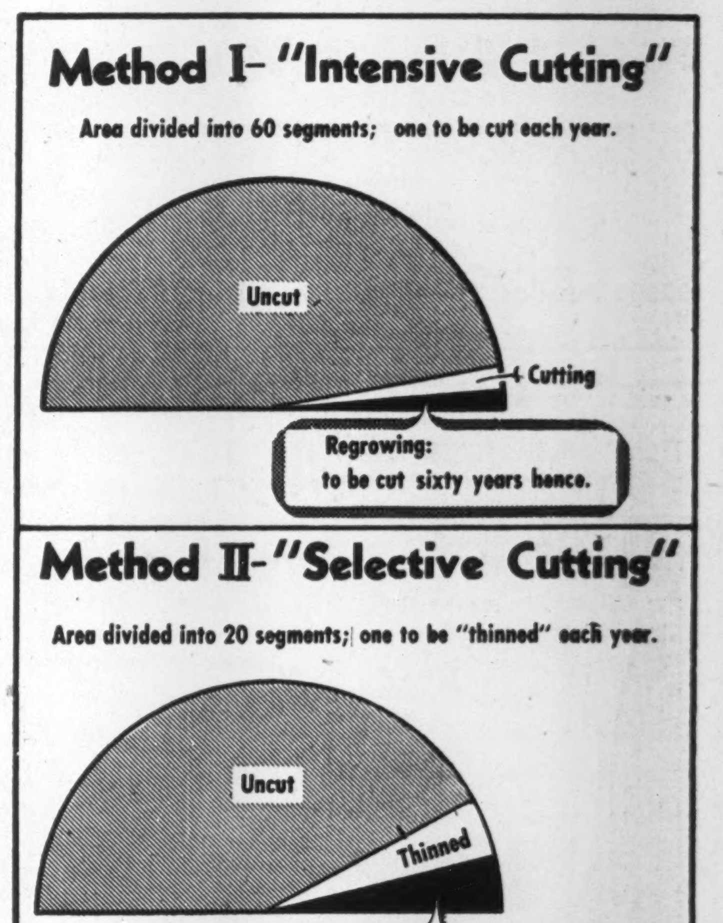
Ten million cords is barely 1% of the available pulpwood in Canada, but in the areas where the spruce budworm was active—Lake Nipigon, Mississauga and Algonquin Park—loss ratio stands at anywhere from 10% to 40%. Should such a blight spread to all our forests, a 10% loss would mean destruction of 100 million cords—six times as much wood as Canada normally cuts in a year.

If illustration of what could happen to Canadian forests is needed, it is only necessary to look at the State of Maine, where the budworm wiped out nearly 30 million cords of pulpwood—almost half the total stand in the state—between 1910 and 1919.

Ontario has been grappling with the budworm problem for two years now, and indications are that its fight is meeting with success. Last year the Department of Lands and Forests sprayed 60,000 acres of budworm-infested forests in the Nipigon area with DDT, and field investigation since then discloses that the budworm population has been reduced by at least 60%, without any adverse effects on other wild life.

As this project represents the first instance of large-scale DDT spraying in the world, scientists from other provinces of Canada and many states of the United States have kept in close touch with the operation and many have visited the sprayed area to check on results themselves. If further experience shows the spray technique to be as effective as early calculations suggest, the method will undoubtedly be used in other forest areas to combat the budworm or other insect pests.

Two Ways of Perpetual Cropping


Method I- "Intensive Cutting"
Area divided into 60 segments; one to be cut each year.
Uncut
Cutting
Regrowing: to be cut sixty years hence.
Method II- "Selective Cutting"
Area divided into 20 segments; one to be "thinned" each year.
Uncut
Thinned
Growth being replaced: Ready for cutting 20 years hence.
The Financial Post

Report 100 Million Tons Coal In Peace River Area "Find"

From Our Own Correspondent

VANCOUVER, B.C.—Advocates of northward extension of the Pacific Great Eastern Railway, including Premier John Hart of British Columbia, have been heartened by news of the discovery of large coal deposits in the Peace River country.

Lloyd Gething of Hudson Hope and Alwyn Holland of Fort St. John brought reports to Victoria. The new field, claimed to possess 100 million tons of coal, is 40 miles north of Hudson Hope. It was discovered in 1942, according to Gething, but the location was kept a secret until the claim was assured.

The seam is said to be seven feet wide and the coal analyzes 14,225 B.t.u., compared with 13,000 B.t.u. for Vancouver Island coal.

Lack of transportation is seen as the main handicap to development, and for that reason the Peace River men are urging the government to proceed with extension of the province-owned P.G.E. north of Hudson Hope to the new field, then swinging eastward to Hines Creek, Alberta, where it would connect with the Northern Alberta Railway, thus giving the region outlets both east and west.

Woods Workers Trained to New Peaks of Skill Seen One of Forestry Industry's Main Needs

Key to the 1946 lumber equation is the man in the woods.

Intelligent management of Canada's forests is essential if these resources are to be handed down in perpetuity and if they are to play their full role in the nation's employment picture.

Until recently, employment in the forest industries was pretty much a haphazard business. If a man was unemployed or found himself with a couple of idle months on his hands he would take a job in a lumber camp, either through force of circumstances or to earn a few extra dollars in the off-season of some other industry. Today an attempt is being made to build up a labor force trained to do as efficient a job in the forests as the farmer does on the land.

During the war many forest workers joined the armed forces and, after discharge, chose other work With all-out production in the pulp and paper and lumber industries, labor shortage in the woods became acute. Actually, however, forest industry men state that according to informed guesses there are as many workers in the woods this year as in 1938.

In 1941 it was estimated that on a man-year basis there were 108,000 employed at logging. It is estimated that there are at least that many this year. But the big problem is to get new men into the industry — at least 15,000. It is toward this end that men in the industry feel the big need is for a better-trained, more permanent labor force.

Jobs Are Seasonal

But the job of organizing Canada's forest industry workers into a professional body of skilled workmen cannot be done in a day. The primary jobs of cutting, hauling and driving are at best an eight or nine months' proposition. In most parts of Canada cutting cannot get under way much before mid-August because of heat and flies. Biggest part of logging operations are done on snow or ice roads, which usually are not ready until December. The hectic driving season, when streams start running, is the shortest of all, lasting at most about 43 days, which means that, except on the bigger rivers, the last logs are on their way by the middle of April or early May. Under the best conditions this would give the forest worker nine months' employment.

This is one reason why lumbering jobs have not interested more Canadians. As a result, many lumber camps are filled by farmers in their off-season. In British Columbia, where much of the cut goes into lumber, there probably is more opportunity for a lumberman to get longer employment in the forest industry, since sawmills and other forest industries can use many winter workers.

In this connection E. S. Fellows of the Maritime Lumber Bureau at Amherst, N.S., says: "Increasing emphasis should be placed on the need of giving permanency to as many jobs as possible. There are many who believe it would be better to employ a smaller number of men over a longer period than to continue the present practice."

Would Lengthen Season

Efforts are being made to give each man a longer working season. In the past, many men who worked a few seasons in the woods at a particular job became experts and hesitated to tackle something else. Those skilled at driving logs down the river might not wish to take on a logging job. Forest industry men take this professional pride as a good omen for the future when forest work generally takes on a more professional aspect. From the worker's standpoint, however, the more skills he possesses, the longer his working season. Many pulp and paper companies now are conducting schools to give workers this variety of skills.

Advent of mechanization in the forest industries, particularly in the woods, is also another argument in favor of forming at least the nucleus of a body of professional woodsmen. Although cutting operations are still mainly a manual labor proposition, gasoline-powered saws are beginning to make an appearance here and there. In logging, tractors and trucks are replacing horses to an increasing degree.

One of the biggest advantages to the worker in having a more skilled labor force is that he could then command a higher wage. At present the workers in the pulp and paper industry, which is highly mechanized, and requires higher skill, are the highest paid among the forest industries, according to Dept. and Resources figures.

In 1943 salaries and wages totalled $382,111,418 for the whole industry, or an average of about $1,500 per person. Of this, 37,020 pulp and paper workers got $71,199,422, or approximately $1,900 each. Employees in woods operations on a man-year basis totalled 107,790 and received $180 millions, an average of $1,650. Sawmills employed 43,954 persons who received $49,564,303, an average of $1,127; and other branches of the forest industry accounted for 63,625 who received $81,347,693, or $1,278 each.

Wages Can Be Upped

Also in value of production per worker the pulp and paper industry leads other branches of the forest industry. But the new approach is illustrated by Mr. Fellows when he says: "Only those who are firmly convinced that lumber must be a low-value, low-quality product deny that wages can be raised."

It is pointed out that, while the foregoing average yearly wage appears fairly high, those figures include salaries as well as hourly wages. Particularly in the forest industries east of the Rockies, men in the industry generally feel that a skilled professional body of forest industry workers, including woodsmen, sawmill operators and others, will do much to raise living standards of workers and also production value per man.

Besides the workers in forest, sawmill and pulp factory, plans of the forestry industries call for men to manage and conserve the forest resources. In British Columbia Chief Forester C. D. Orchard says: "Forest administration offers one of the best avenues for rehabilitation in work of immediate and lasting value, both in permanent and seasonal employment." He adds that in British Columbia the minimum numbers of additional men that could be absorbed in such services are estimated as follows: Permanent—technical foresters, 25; mechanical engineers, 2; supervisors and inspectors, 5; rangers, 50; miscellaneous office staff, 25; miscellaneous technical and skilled, 25; labor, 500. Seasonal—assistant rangers, patrol, etc., 505; "stand-by" fire and improvement crews, 600; a total of 1,105.

Reforestation Imperative

Reforestation is receiving attention from both Federal and provincial governments. From an employment standpoint Mr. Orchard has stated the reforestation program on the following employment basis: "For each unit of 10 million trees to be planted annually (a) 12 men full time in the nurseries, (b) 50 men full time preparing planting sites, (c) 550 men for two to two and a half months for planting and extra work at the nurseries during March and April.

Here is another set of forestry projects submitted by G. H. Prince, Deputy Minister of Lands and Mines in New Brunswick:

Project	Estimated Man-days
Forest Motor Roads	600,000
Construction for Forest Fire Protection	75,000
Forest Inventory	75,000
Control and Boundary Surveys	75,000
Ranger School Building	10,000
Demonstration Forests	15,000
Game Management and Recreation Facilities	200,000
Forest Nurseries	20,000
Roadside Improvement	50,000
Total	1,120,000

Other provinces see in their forests an opportunity of retraining ex-servicemen for civilian occupation, creating assets which will increase employment opportunities. In Ontario a fire protection program would call for approximately 5,000 men the first year, 2,500 men the second, 1,250 in the third and 625 in the fourth. Manitoba has outlined forestry work for approximately 2,750 men over a five-year period.

Need Skill, Training

All this means that, like many another industry, the forest industries are rapidly becoming more and more dependent on trained and skilled labor. Whether the job is sawing trees, lumber, or the more glamorous work of the high rigger or the logging engineer specialist, the forests require skill and training if they are to play their full part in the Canadian economy. E. S. Fellows has expressed it thus:

"An untrained woods worker is a drifter. He has little interest in his work beyond the income it brings—and that is small. He lacks initiative, has no special status and usually has no special loyalty to his temporary employer. His chief ambition is to get into some more remunerative work. His whole environment is such that he is unstable and often of low productive value. The training of men to give them special skills and offering them openings for permanent employment, more chance to show initiative and hence more opportunities for advancement, all hold great possibilities."

Business Papers to Have Circulation Audit System

Advertising space buyers who use business newspapers which are not members of the Audit Bureau of Circulations to carry their messages will soon be able to plan their campaigns on a highly selective basis. A new circulation audit system announced by Canadian Circulation Audit Board has been designed to provide detailed analysis of geographical and occupational fields covered by 106 Canadian business papers.

First audit report on the new system, analyzing all western Canada publications in the field, is to be made available in July, CCAB reports. It will be based on circulation figures for the period ending March 31. Later in the year, similar audits will be made of eastern business papers, which have been grouped so that those which are competitive will be reported on simultaneously.

The new auditing procedure is designed to present detailed information on the "circulation" of all business publications. No attempt is being made to establish paid circulation figures, but distribution of each paper will be broken down to show geographical areas covered and occupational classification of readers.

This information will be particularly valuable to advertisers who wish to reach either specific geographical areas or members of particular occupations and trades. With comparative figures for competitive publications before them, space buyers can custom-tailor their advertising campaigns by selecting the papers which best meet their needs. As results of these surveys will have been audited, the CCAB statements will provide an independent yardstick for this selection.

The auditing procedure will be based on publishers' statements, filed with the CCAB secretary. The initial statements will not be made public, but will be used as the basis for an official audit report, prepared by an auditor who is devoting his full time to serving the 106 publication members.

Six months after publication of the initial audit and twice a year thereafter, members will submit new statements; which will be released simultaneously for each field; and an audit based on the statements will be published yearly.

Major feature of this new procedure is the fact that, in future, all information contained in CCAB statements will have been audited. Previously CCAB publishers' statements included some facts and figures which were not subject to audit, and therefore could not be accurately checked.

Cape Breton Builders Want More Materials

SYDNEY—The Prices Board is studying a complaint that Cape Breton may be getting less than a fair share of scarce building materials. So a Cape Breton delegation representing business, labor and veterans has been told in Ottawa. The island reports $6 millions of construction projects, a grave unemployment problem and serious dearth of building supplies. Question for WPTB is whether Cape Breton is being discriminated against by the formula which relates current supply to 1941 consumption. Cape Breton argues that abnormal amounts are going to localities which had major war projects under way in the base period; it asks diversion now from such centres to others where 1941 requirements were below normal. In small plumbing supplies, for example, Cape Breton asks that its current requirements be related to 1940 purchases.

NATION-WIDE PLANS to expand the prairie province operations of Picard's Ltd., candy and bakery subsidiary of Canada Food Products Ltd., Toronto, have been announced by E. P. Taylor, president of the latter company. First stage in the program will be extension of operations into British Columbia, involving expenditure of $250,000 to build and equip a plant at Vancouver; and expenditure of $200,000 to open 15 retail stores throughout the province.

EDMONTON CITY TREASURY has received $15,308,120 in net surpluses and taxes from the city's five utilities in the last 16 years, A. A. Campbell, city comptroller, reports. Electric light department showed $3,691,406 in total taxes and net surplus column; power plant, $5,305,542; street railway, $487,715; city telephones, $3,707,593; and waterworks, $2,115,862.

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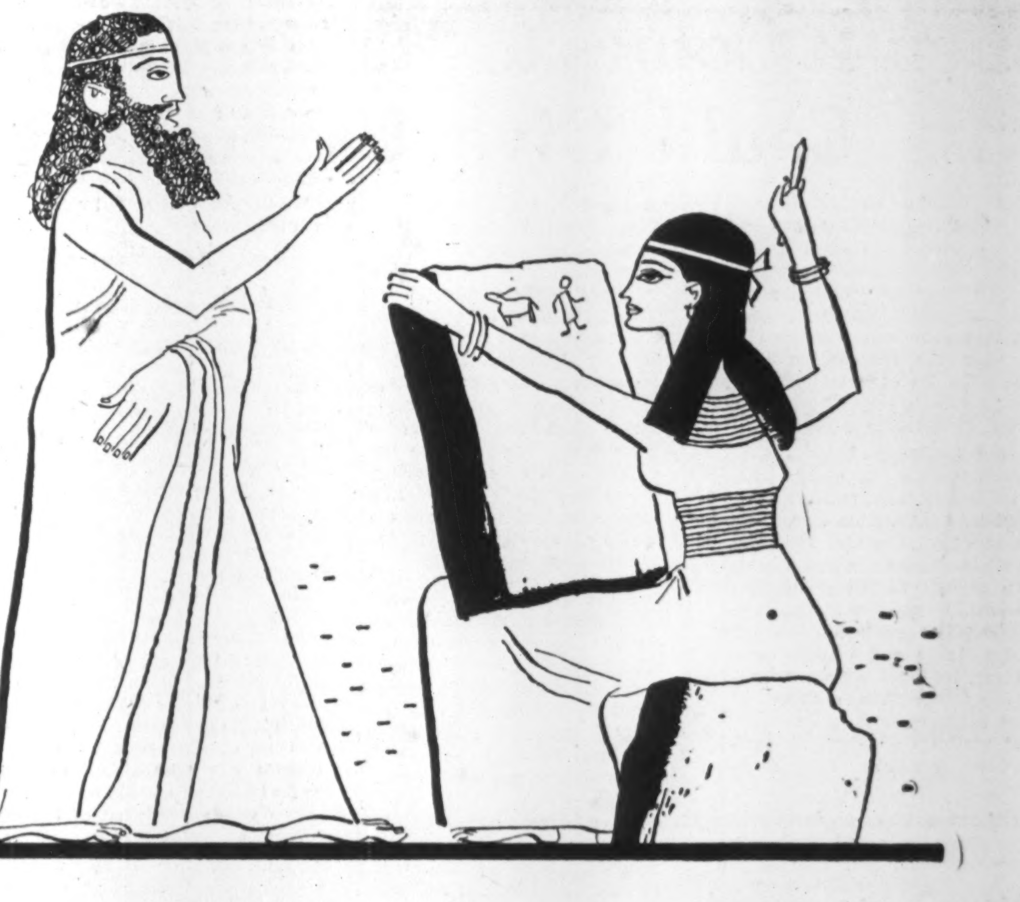

TAKE A LETTER, MISS ZHEPHUS ...

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Although Provincial's mills are running at capacity, the demand still exceeds the supply. But we look forward to the day when our four mills will again meet the requirements of our customers.

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Housing's New Stature in Building Industry Makes Huge New Demand on Lumber Trades

Construction in Peace Year I towers as never before over other lumber-using industries — including furniture, boats, industrial crating, boxes, barrels, shooks. Two thirds or more of all sawlog production retained in Canada this year will go into building or heavy construction. And an estimated three quarters or more of all construction lumber will go into housing.

House building has never been that big a consumer of lumber, though always a major market. Somewhere around two thirds of new homes in Canada built over many years have been largely of wood and well over 90% have been at least framed and finished inside with that material.

The change in the picture is in an altered relationship between residential and other types of construction, a new emphasis on housing which became plain in 1943 and which since then has grown sharper, in many cases at the expense in supply of industrial and other competing forms of building.

Half Value of Contracts

Residential contracts awarded in 1945, according to the authoritative MacLean Building Reports Ltd, were worth 196 millions, or 47.8% of the total awards, including engineering works. That 47.8% compared with an average 28.3% for the 17 years 1929-45.

Here is the record, tabulated by The Financial Post from MacLean Building Reports figures since 1929:

Ratio of Residential to General Building Rises Steeply Since Mid-war

	—millions of $—		%
	Nonresident. inc. engineering	Residential construction	residential of total, all types
1945	213.0	196.0	47.9
1944	160.7	131.2	44.9
1943	127.0	79.1	38.3
1942	202.3	79.2	28.1
1941	301.6	92.3	23.4
1940	278.4	67.6	19.5
1939	119.7	67.4	36.0
1938	132.2	55.0	29.4
1937	167.8	56.2	25.1
1936	119.7	42.8	26.3
1935	123.9	36.4	22.7
1934	95.3	30.5	24.2
1933	73.3	23.9	24.6
1932	104.0	28.8	21.7
1931	233.8	81.6	25.9
1930	363.7	93.2	20.5
1929	447.7	128.9	22.5

The same picture emerges—greater volume rise in housing than in the other major types of construction—whatever yardstick is applied to the industry.

Dominion Bureau of Statistics, in its annual report of value construction work actually carried out, showed for 1941 about $87 millions for housing in a $640 million total for all construction. That relationship accorded with the long-term average. But, two years later, the normal relationship came to an end.

By 1945, of $500 millions of construction work performed, $200 millions was in the residential category.

What the value of the 1946 housing avalanche will be, it is still too soon to tell. But advance estimates in the industry converge at about $300 millions of residential work in an all-types total around $750 millions.

Overshadows 1920's

Canadian house building, in addition to having swung so far out of line as regards its traditional stature among the other construction groups, last year attained an unprecedented volume. This is as readily apparent in estimates of numbers of housing units started and completed annually as in the figures on dollar volume.

Never in the lush 1920's were more than 25,000 to 30,000 houses and apartments put under construction in any one year. The count in recent years puts those operations in the shade and unmistakably spells steeply rising demand for house-building lumber.

In 1944, Canada appears to have launched the bulding of somewhere around 37,000 new houses and apartments, completed about 32,000 of these, and carried over into 1945 completion work on the balance of, say, 5,000.

In 1945 the number of new housing units started rose sharply. In that year Canada apears to have launched 50,000, completing perhaps 35,000 of them and carrying over into 1946 the completion work on the balance of about 15,000.

It is at this point that inadequacy of supplies and skilled manpower take greater effect; note the rise in volume of carryover, i.e., buildings launched in one year, but not completed until the next. That reflects shortages, and late-season starts mainly due to shortages.

Now, what does this rising volume mean in terms of higher demand for lumber? How much lumber was consumed by the 41,000 new houses and apartments completed last year, as reported recently by DBS after a country-wide spot check late last winter? What is the meaning for lumbermen in official targets of 60,000 new housing units to be started between April 1, 1946, and March 31, 1947? 80,000 more in each ensuing twelvemonth, for a five-year total, 1946-50 inclusive, of about 400,000 new houses and apartments?

Anyone who ever watched a house under construction will hardly need statistical proof that astronomical quantities of lumber and other materials are needed for any program on such a scale. Here is the way the lumber trade itself interprets those figures.

10,000 ft. Per House

Lumber consumption in Canada per housing unit averages around 10,000 board feet. Thus 50,000 new houses and apartments call for 500 million feet of lumber and 80,000 call for 800 million feet of lumber. That's 4 billion feet for the 5-year program.

A glance at production figures reported elsewhere in these pages will reveal that any such level in consumption for housing alone comes fairly close to Canadian production capacity, always remembering that a large volume of our sawlog cut goes to Britain and United States, that a major percentage of what's retained goes to industries other than construction, and that of lumber delivered for construction use, perhaps a quarter, possibly more goes into nonresidential categories — hoardings around building jobs, forming for wet concrete and a thousand other uses including framing in light structures and a huge and varied program of general maintenance and repairs.

Of the 1946 lumber output, estimated by the trade at five billion feet, some three billion feet is being retained for domestic use. If construction operations get anything like 1.5 billion feet of that total, both the building and lumber trades will be surprised. And if advance estimates prove correct, housing won't get more than about 500 to 600 million feet of this.

But, at that, it's thought any such quantity of lumber will be as much as the house building industry can handle, limited as it is by modest productive capacity or by strike troubles in just about every other supply line.

The rub will come if and when production of building materials generally is expanded to cope with an 80,000-house building program next year. Can we continue to push lumber production up and to curb the requirement for lumber in other branches of construction, as well as in other claimant industries? That is one of the biggest questions facing the lumber industry today in Canada and United States. And every lumberman has a different answer on how it's to be done.

Triple 1945 Building Is Goal in Saskatoon

Westerners, like most Canadians, are all trying to build at once. Saskatoon's case is typical. There, only 480 houses were built in the ten years from 1935 to 1944 inclusive. But last year 217 went up, 100 of them by Wartime Housing. This year, despite still mounting costs and shortages, between 600 and 800 are seen planned at over $4 millions with over 500 permits already issued.

That was the vivid four-sentence explanation of scarcity in bathtubs and plumbers, lumber and carpenters given by Crane Ltd.'s Saskatoon manager, E. Sigvaldason, befor a recent meeting of the Saskatchewan branch of the National Association of Master Plumbers & Heating Contractors.

Australia on Threshold Of Big Postwar Boom

Large new industries launched or are about to be launched in Australia reflect a tremendous new interest overseas in the future of that country, says The Australian Financial News, issued in behalf of the Government of the Commonwealth.

Since the war ended, reorganization of industry has gone ahead rapidly, and by the end of 1946 almost all Australian industries will be back on a peacetime basis. Industry generally made tremendous gains in technique and productive capacity in wartime, and starts off well-fitted for expansion of existing industries and the creation of new ventures. Manufacturing of steel, machine tools, electrical equipment, motor locomotives and bridging equipment will continue on a large scale. The aircraft industry, which really came into existence during the war, is likely to be maintained in some form. At the moment, the industry is turning out four-engined Lincoln bombers, and is also making Tudor commercial planes.

Most spectacular developments promised are in manufacture of automobiles, chassis and trucks. Plastics, rayon and expanded fertilizer production will be important legacies of wartime advances in industrial chemistry. The future prosperity of Australia is linked also with the postwar development in woollen textile production, and the Government is encouraging processing of a much greater proportion of the raw wool produced. This is not necessarily competitive with overseas textile industries, it holds.

Utilize War Plants

Smoothing the way of new industry, the Government is throwing open to private enterprise, war plants built at a cost of £75 millions ($268,125,000 Canadian funds). Moreover, the challenge thrown out by the Government of the late John Curtin that unless someone else undertook to meet the demand for an Australian-built automobile, the Government would do the job, has been accepted by British and American firms. Among the first to enter the field are the English firms of Rootes, Ltd., Standard Cars and the Nuffield organization.

Rootes plans to produce Humber, Hillman and Sunbeam-Talbot cars and motor trucks, and has taken over a war plant near Melbourne, Victoria. Standard Cars is to build a £50,000 ($178,750) assembly plant at Fisherman's Bend near the heart of Melbourne, as part of a large expansion plan, and intends to assemble chassis and parts from the English Standard Company, and bodies made by an Australian firm in Adelaide, South Australia. The Nuffield organization, maker of the Morris car, intends to produce bodies in former munitions works in South Australia. It also will establish an assembly plant in either New South Wales or South Australia.

General Motors Holdens, Ltd. long established in Australia, is planning an all-Australian model larger than popular British cars but smaller than its own Pontiac and Oldsmobile models. The Ford Co. already has one of the largest factories of its kind in the Commonwealth, at Geelong, about 45 miles west of Melbourne, employing about 2,000 workers.

Canadian Firm In Line

Another interesting move linked with the exploitation of former war production centres is establishment of a £1.4 millions ($5,005,000) plant subsidiary by Burlington Mills, Inc. of the United States, for the manufacture of rayon and cotton textiles and fabrics. Burlington has taken over the big Rutherford Munitions factory 120 miles north of Sydney, New South Wales. Rayon goods will be manufactured also by Bruck Silk Mills Proprietary, Ltd. of Canada, at the coastal town of Wangaratta, in Victoria. This firm has taken over a huge wartime aluminum factory, and production of a wide range of rayon fabrics, mainly dress materials and furnishings, is expected to begin before the end of the year.

Courtaulds Ltd. of London is expected to start production in a £5 millions ($17,875,000) rayon factory at Tomago, in New South Wales, where rayon will be made. A £2 millions ($7.14 millions) capitalized company, Bitumen and Oil Refinery, Australia, Ltd., intends to produce refined oil from crude imported from the United States. The California Texas Oil Co. is subscribing to the venture £500,000 ($1,785,000). The new company will be predominantly Australian, however, undertaken by a California firm, California Products, Ltd., at Bathurst, 100 miles west of Sydney.

Plans are announced for a complete overhaul of the Australian telephone system, involving expenditure of between £3 millions ($10.71 millions) and £4 millions ($14.28 millions) on equipment as soon as manufacturing facilities are available. This demand will bring into existence a new enterprise in another New South Wales war factory area, Standard Telephones and Cables Prop., Ltd. an Australian company which will manufacture telephones, electrical and radio equipment.

DRYDEN PAPER CO. has called a special general meeting of shareholders for May 20 to authorize $3 million 4% first mortgage Canadian pay bonds. Of this amount the company proposes to issue $1.5 millions, proceeds to be used to retire its bank loan and to redeem its outstanding 6% bonds, which are payable in Canada or the U. S. at the option of the holder.

At Dec. 31, 1945, Dryden's bank loan totalled $577,000 and there were $835,000 bonds outstanding. Annual interest requirements on the present bonds and bank loan amount to $81,675 and on the new issues will be $60,000, or an indicated annual saving of $21,675. This amounts to $0.14 on the common (1945 earnings $0.13).

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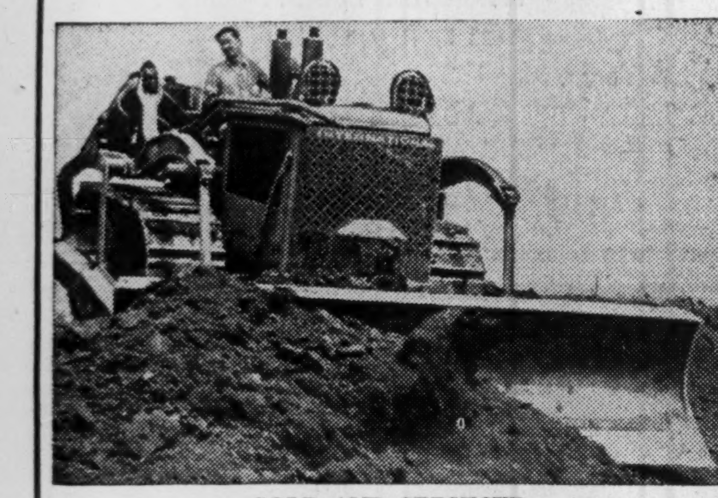

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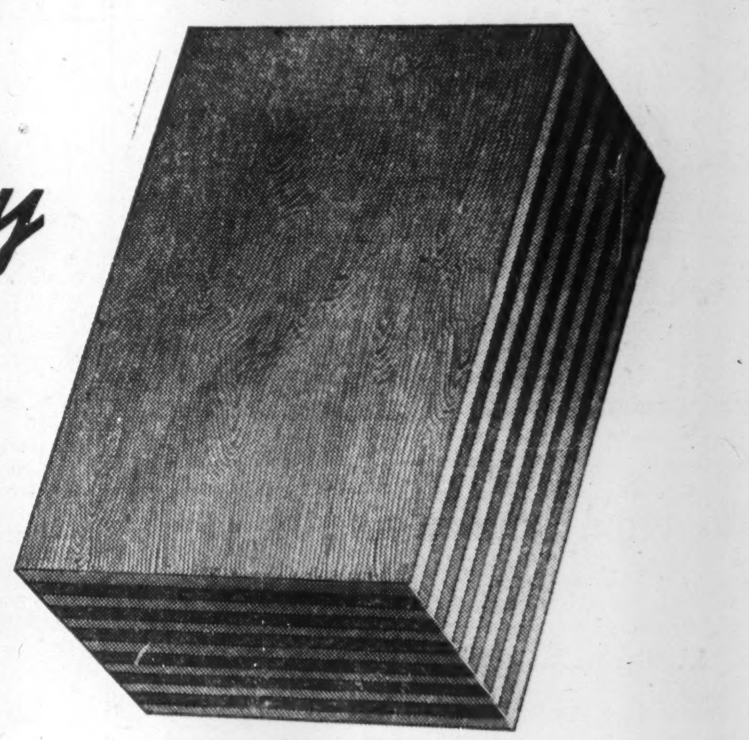

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Plywood did such a wonderful job during the war that the peace-time demand for this "wonder wood" has far exceeded the most optimistic calculations of plywood manufacturers.

We, at Dominion Plywoods Limited, do not manufacture the ordinary flat sheet building plywood but orders and enquiries for custom built high grade plywood in both flat and moulded form make it necessary for us to apologize for our inability to meet the needs of our regular and prospective customers.

We have the "know how" gained during the war helping to build the "Mosquito" plane.

Our plant and equipment are modernized and we have no labour shortage but we are unable to secure a sufficient quantity of good veneer (from which plywood is made).

The chief reason for this shortage of veneer is that Canadian veneer producers are exporting to the U. S. A. and England all the veneer which they do not require themselves, at higher prices than they can secure here in Canada under the present price ceilings.

We hope this unfortunate situation will soon be corrected so that Canadian requirements may be met. In the meantime we welcome enquiries from manufacturers requiring High Grade Plywood, especially of the moulded type, and we shall do our best to distribute what we can manufacture as fairly as possible.

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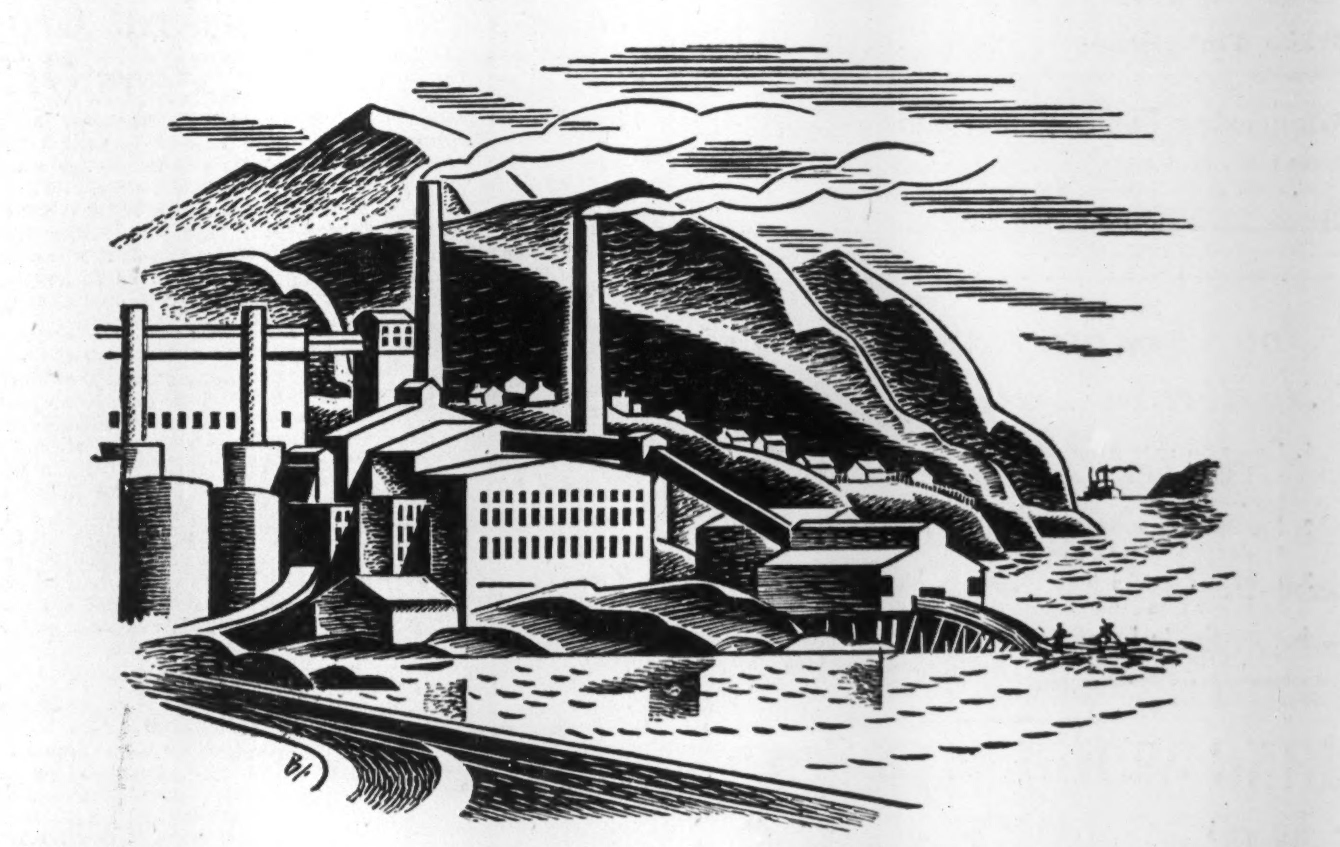

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HON. J. A. GLEN, K.C.,
Minister of Mines and Resources
CANADA

"If Canadians are to reap the full value of their forest heritage, its widespread destruction by fires, insects and tree diseases must be controlled. These enemies account for 27% of the annual drain of merchantable wood from our forests. Wood consumed by the Canadian pulp and paper industry, the largest single exporter in the Dominion, comprises but 17% of the total drain.

"Our forest lands must be brought into a state of continuous production in order that pulp and paper and all our other forest industries should occupy a strong competitive position and continue to bring increasing wealth to Canadians.

"This important objective can only be achieved through the progressive application of the principles of forest management supported by an adequate program of forest and forest products research."

J. Allison Glen

Pulp and paper mills each represent an investment of many millions. They cannot be moved to tap new pulpwood resources. Spurred by its responsibilities and the need of a sustained yield, the industry encourages proper re-growth and plans to obtain a perpetual harvest from its limits.

The pulp and paper industry spends millions annually protecting forests owned by the Provinces from fire, insects, disease and other hazards that menace the future of the forests.

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1. I promise not to smoke until I stop in a safe place and to make sure all matches, cigarette butts, and pipe ashes are DEAD out.
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Ottawa Moves to Smash Lumber Black Market As Drastic Measures Adopted to Restore Order

Serious disruption in lumber trading across Canada despite federal controls finally has officially been tagged "black market" and drastic steps taken to restore a semblance of order. But demands of builders are still rising and as competitive bidding for materials comes increasingly into the picture in the absence of building control, the black market may prove hard to kill.

"A great many irregular practices," said Donald Gordon in Ottawa a few weeks ago, "have crept into the marketing of lumber. Shortages of suitable types of lumber for the domestic market are becoming so acute that many reputable dealers are finding great difficulty in securing supplies in the face of improper methods being followed by less-scrupulous competitors."

That, in the moderate language of Canada's prices chief, plainly spelled "black market" and signalled intensive measures to control it.

Earlier, Timber Administrator D. D. Rosenberry, addressing the annual meeting of the Toronto Retail Lumber Dealers' Association in Toronto, admitted black marketing of lumber was rampant and promised major expansion of the enforcement staff to cope with it.

Action Came Soon

Orders A-1956 and A-1979 came quickly, both effective April 25.

To curb what the trade calls upgrading—selling second- and third-grade lumber at top prices—the Board cracked down hard on offenders, with A-1956, aimed at upgrading and other infractions of price ceiling regulations. Warning that effective control on prices of lumber, shingles and lath was to be maintained, officials said some dealers as well as manufacturers had been getting top prices for poor material.

The Board, redefining official grading regulations, which must be followed on pain of prosecution in the courts if detected, took three new enforcement steps aimed to stamp out black marketing. These involve:

1. New broad powers to WPTB agents to inspect or grade shipments on premises or in cars, ships or trucks;
2. A new and elaborate code for invoicing, as to quantities, sizes, grades, species, prices;
3. A far-reaching "approval of sales" requirement for seller's statement of sale in triplicate to the Administrator prior to shipment, identifying the buyer, points of shipment and destination, the quantity of each size and grade of each species, price of each and, if softwood, the freight charge.

Stocks at Low Ebb

Despite these measures complaint is still heard in some lumber trade and building industry quarters against direct selling by smaller mills at prices said to be greatly in excess of manufacturers' ceiling, and against alleged continued flouting of quality standards. Toronto retailers only a few days ago were reported asserting that three quarters of all the lumber in Ontario currently was being traded in violation of authorized ceilings and regulations.

Ottawa's response is to the effect that many of the conditions complained of will be greatly ameliorated with the release in July, August and September of the main volume of 1946 output. Official explanation is that most of the difficulty is momentary, with the trade trying to live on spring inventories which are virtually nonexistent, having been wiped out by excessive building demand.

Meanwhile there is almost general agreement that everyone is moving "desperately" to get almost any kind of lumber at almost any price. House builders report lumber is their biggest supply bottleneck this spring, with larger builders commonly buying direct from the manufacturer and smaller builders paying "fantastic" prices for less than carlots.

Mills With Retail Licenses

Short circuiting of retailer and wholesaler apparently has become even more general than in wartime when it was "widespread enough." J. D. Branch, reporting in February to the Canadian Lumbermen's Association as chairman of the Retail Lumber Bureau, said a Bureau survey of over 100 retail establishments in Ontario revealed that many had been buying direct from the producer and considered themselves forced to continue doing so.

Another practice "developing in the trade" and which had "a strong tendency to violate ethical standards," Mr. Branch said, was "the seeking of retail licenses by manufacturers." The retailers, he suggested, were opposed to granting of retail licenses where the applicant was not equipped to discharge traditional functions of the retailer by maintaining a supply of lumber, shingles, lath, etc., adequate to the community he is to serve.

To meet objections of this kind, a Prices Board order became effective toward the end of March prohibiting retail sales by persons other than those operating established retail yards, and attempting to control sales between retailers by requiring Timber Control authorization.

"Black" in U. S. Too

An amazing variety of dodges are on record in recent anti-control trading in Canada and United States. A faithful list might fill a newspaper column in fine print. Here are just a few from American experience, as outlined at a recent Canadian convention:

"Buyer obtains 'option' on woodlands or mill properties, the cash price for which ensures his regular receipt of lumber at ceiling prices. The 'option' is, of course, never exercised.

"Special service charges for reducing lumber—purposely manufactured in sizes larger than needed—to the sizes required. Prices for these larger sizes are naturally higher.

"Selling all lumber as first grade at a flat price, regardless of what grade it should really be.

"Acceptance of shore deliveries and payment in cash—no questions. no invoices, no records.

"Over-finishing of items like flooring, where polished stock brings a higher price even though the flooring will have to be re-polished after installation."

Latest word on the Canadian black market in lumber came only last week from British Columbia. The B. C. Building Contractors' Association was quoted as welcoming the woods strike there; claiming operators' statements of production loss are "evidence that a large percentage of B. C. lumber has been moving via the black market."

Complaints of lumber scarcity leading to unethical and irregular trading have been heard in the Maritimes and Manitoba as well as Ontario and B.C.; have become almost general across the country.

It's admitted officially that "many inequities and anomalies" still exist in the structure of lumber price ceilings and in their enforcement. And the Ottawa argument that increased supply this summer jointly with tightened enforcement will end many of these inequities and anomalies is accepted with reserve in some responsible trade quarters.

One prominent school of lumber trade thought holds—against, it must be said, a considerable weight of contrary opinion—that the assertedly wide and serious disorganization of Canadian lumber distribution could be corrected at a swoop by the "simple expedient" of wiping out all lumber price control except the one governing the retail ceiling price to the consumer. It's argued that this formula, together with continued rigid control of exports, and discontinuance—in some cases even cancellation — of retail licenses to manufacturers and wholesalers, would solve all basic problems in spite of whatever crimp the B. C. shutdown may put in Canadian stocks for 1946, put earlier at an expected three billion board feet.

Ontario Wants to Buy

For Ontario's deficit—that province produces only half of an estimated billion feet needed—suggestion in some quarters is that Ontario dealers simply be permitted by Ottawa to pay producers in the other provinces prices as high as those producers are getting for domestic shipments to other than Ontario points, and that those producers be permitted to earn on shipments to Ontario the same credits as they are getting for shipments elsewhere in Canada.

That all this is arguable and that the whole distribution picture is vastly complex — probably more complex in lumber, with its many sizes, grades, species and sources, than in most other controlled lines—to many observers will be just about the only self-evident aspects of Canada's present lumber distribution difficulties.

What's even more apparent is that the lumber industry never before has faced so wide and varied a demand for lumber, shingles, lath, timbers, millwork and plywood, these needed alike in Canada, United States and abroad to form or frame or finish postwar housing, buildings and engineering works.

Lumbermen, from Mahone Bay to Menzies Bay are confronted with a level of demand the satisfaction of which—in every district and kind of lumber and branch of building—probably will be found to exceed productive capacity and probably despite every new effort to enforce official controls, still will be disrupting long-established trading relationships a year hence.

Many Risks in Muskrat Crop But 1946 Harvest "Pays Off"

From Our Own Correspondent

WINNIPEG — Government-developed projects in Manitoba for the second year in succession have yielded better than a $1 million crop of furs. Off the nations biggest fur farm, a 1,000,000-acre sweep of marsh in the Saskatchewan River delta east of The Pas, one thousand trappers have taken 233,969 muskrat pelts (8,558 below last year but more than expected early in the season).

There are four other government-developed projects. At the south end of Lake Manitoba, this year's take was 23,470 pelts (12,240 last year). Off the Netley marshes at the south end of Lake Winnipeg the take was only 24,342 (119,634 a year ago). The new Fisher River development, in its first season, yielded 2,444 pelts. At Whitewater Lake, in southwest Manitoba, the take was 2,743.

The 1946 trapping season has demonstrated that the fur crop can be a failure and, like wheat-growing, there may be many contributing causes. While the over-all picture shows another bumper fur crop, production on the Netley marshes was a disastrous failure, due mainly to weather conditions last fall. High northwest winds late in the season drove high water into the south end of the lake, flooded out the muskrat houses, and destroyed most of the food supplies.

As in former years, all the catch will be sold at public auction (first sale May 21). More buyers than ever before are expected from the leading fur centres of the continent.

Nyal Co. of Canada Planning Expansion

From Our Own Correspondent

WINDSOR — An expansion program for the Nyal Co. of Canada, subsidiary of Frederick Stearns & Co. of Canada, is being planned.

Ralph Henderson, an authority in pharmaceutical operations, is devoting most of his time to building up the Nyal interests in the Dominion, working with C. Leonard Pfister, sales manager, and Ray C. Brewster, Stearns vice-president in charge of sales in the United States.

The plan aims to assist Canadian drug retailers to expand their total volume of business, rather than concentrate on an exclusive line of merchandise.

"Our aim is to give Nyal agents in the Dominion all the benefits of modern business management, without the high costs sometimes involved in such operations," Mr. Henderson said.

Convert Warcraft At $1.5 Millions Cost

From Our Own Correspondent

VANCOUVER—Good news to British Columbia's shipbuilding industry was created last week by Sir Walter Carpenter, of Sydney, Australia, and Vancouver. He announced four 10,000 ton maintenance ships originally built for the navy, will be converted into passenger-cargo vessels.

The Carpenter interests, who established vegetable oil plants in Canada before the war, operate a fleet of ships between Vancouver and Australia, carrying copra and other freight, as well as passengers. The ex-maintenance ships will be operated in that service.

Conversion will be carried out at West Coast Shipbuilders, Ltd., and Victoria Machinery Depot. The deal represents expenditure of about $1.5 million.

Packers, Kraft Foods To Set Up in Chatham

Two new industries will be established in Chatham, Ont., Industrial Commissioner William Gray has announced. Canada Packers Ltd. has purchased a 5-acre site in the city for the establishment of a feed and fertilizer plant. Kraft Foods Ltd. has purchased buildings which will be converted into an office and warehouse. Both industries are to serve the southwestern Ontario markets.

PERMISSION TO INCREASE capital stock of General Trust and Executor Corp. to $1 million, is sought in a bill before the Nova Scotia legislature. Directors already have power to increase from $300,000 to $490,000.

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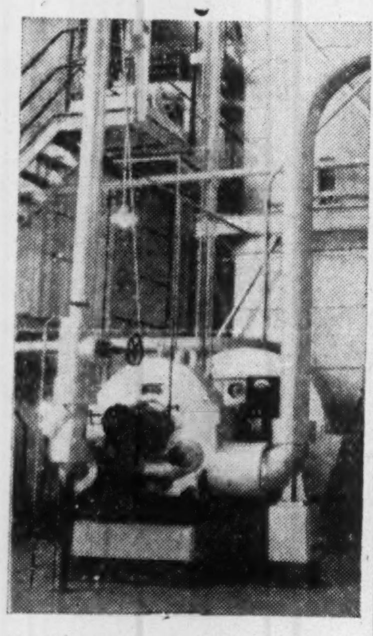

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Plywood is Coming Construction Material Only Complaint Heard, It's Slow in Coming

From spacious Government and industrial laboratories to the narrow confines of returned servicemen's garages, research is going on across Canada today on new applications for wood and wood products.

Here and there, without fanfare, the results—some good, some not so good—are reaching the market—plywood furniture, radios, boats, smooth, tinted wallboard, metal-hard sheets which look like marble, and impregnated, soft-wood floors.

Other products are coming, but problems preceding the marketing stage are many. There is the current shortage in plywood, as well as all the different cost problems involved in meeting competition in traditional lines in wood and other media.

It is only recently, for instance, that Canadian molded plywood furniture has succeeded in breaking away from the imitative stage of conventional wooden construction lines. Dinettes, bedroom suites, radios, etc., are making their appearance now in new and functional design most adaptable to plywood construction.

Supply Is Scarce

One Toronto boat-builder currently offering 10 ft. and 14 ft. molded plywood boats for $165 and $198 respectively — higher than corresponding conventional lines — says full cost advantage over conventionally built models can only be attained with assembly line production methods. But current scarcity of plywood, and natural customer scepticism for new and untried products, make a large capital outlay in this field a risky venture at present, the builder says.

Moreover, even the boatbuilders are not so sure they have all the design "bugs" licked yet. The molded plywood boat is rigidly fastened together like a violin—it can't absorb heavy vibration and strain like the loosely fastened-together conventional wooden boat, some engineers say. For that reason the most practicable shape might have to be very different from present-day ones.

On the other hand, constantly improved methods in plywood furniture construction have cut manufacturing time almost in half and produced a considerably better product. Drying processed plywood, by passing high frequency electric currents through it, rather than the older steam-heat method, has reduced drying time considerably and improved the "bond."

Synthetic Resins Down

A particularly important trend for the producers of new wood products has been the downward pattern in the cost-prices of the all-important synthetic resins. Since last October, for instance, practically all bonding chemicals have dropped 10%-15% in price.

Perhaps it is within the fields of the three " 'pregs"—impreg, compreg and papreg—that Canadian industry will find its greatest scope. "Impreg" is wood, generally soft wood, soaked with a synthetic resin—likely a urea compound. "Compreg" is the same thing, only compressed into much thinner slabs by heat and pressure. "Papreg" is a special paper impregnated with the same synthetic resins, then superimposed in sheets and laminated under pressure and heat.

In each case the result is an entirely new product, no longer wood or paper. The material becomes harder, more stable—not subject to warping and cracking. It can be highly polished, and smoothly worked and colored by dyes. Applications are legion, from impreg wooden wheels for roller skates, to wallboards and flooring material.

Must Isolate Lignin

By the use of lignin, the natural bonding agent of growing wood, sawdust and chips can be treated and presed into board. Howard Smith Paper Mills is at present producing "Arborite," a hard, shiny board, used successfully in the electrical and furniture industries. "Arborite" is actually the result of a rearrangement of wood fibres with elimination of unwanted ingredients.

Important step in the process is isolating the lignin from other components. When this is done, the lignin is mixed with fibres and made into sheets on a paper-making machine. The sheets are then laminated under heat and pressure to produce the hard, metal-like product. Arborite can be finished with a high lustre or in various designs, by using paper with the desired finish as the outside layer in the laminating process.

A new hard wallboard has been produced experimentally from sawdust and will likely be in commercial production soon in Canada. The board is formed by subjecting sawdust, plus about 10% activating agent, to pressure under a controlled temperature. In the process a two-inch layer of sawdust is reduced under pressure to board ⅛-in. thick. Lignin is used to seal the particles of sawdust and fibre together. The board can easily be made water- and fire-resistant. It weighs about 1 lb. per sq. ft. and may sell for $50-$60 per 1,000 sq. ft., roughly $10-15 cheaper than comparable boards now on the market.

Wastage Seen High

It is estimated that wastage in the lumbering process runs between 7% and 20%.

Some applications of the wood-fibre process are toys, automotive parts, advertising displays, furniture, tile and interior finishes.

One ton of dry sawdust can also be converted into 55 to 60 gallons of 200 proof ethyl alcohol, 0.12 gallons of fusel oil, 100 lb. of feeding yeast containing 50% protein—by-products of 20 lb. of furfural and 600 lb. of lignin.

Wood has the possibilities of becoming the most universally useful of all materials of industry, a prominent Canadian scientist states. Some of the processes, however, are so expensive that they have no application as yet except in highly refined structures such as aircraft, racing boats and luxury trailers. Others will eventually become commercially commonplace.

"The natural conservatism of the wood-working industry, coupled with the inertia of capital currently invested in conventional processing machinery, will naturally retard the general use of some of these processes," says Morley Lazier, Toronto consulting engineer.

Small Grocery-Butcher Shop Shows Highest Net Earnings

The small combination grocery-meat store with less than $10,000 a year in sales volume makes the best showing in net earnings among five classes of unincorporated retail stores reviewed by the Dominion Bureau of Statistics. These combination stores, by DBS survey definition, must not sell less than 10% of total volume in either groceries or meats; and they frequently sell a large volume of fruits and vegetables. This best-scoring bracket in the new DBS report hits a net earnings figure (before income tax and withdrawals) of 13.6% of total sales.

The small grocer-butcher in this bracket earned, on an average per store in 1944, $833. Average sales volume per store was $6,142; total stock turnover 8.2 times in the course of the year; total cost of goods sold $43,231. The store's gross trading profit was 21.8% of total dollar sales, operating expenses totalled 8.2% of sales. Stores reporting to DBS in this bracket were owned by the merchant himself.

This, and similar data on straight grocery stores, meat markets, fruit and vegetable shops and confectionery establishments, divided into five sales volume categories, is contained in the first DBS essay in this direction since 1938, the second ever. Dominion Statistician Herbert Marshall points out that the reports were compiled with an eye to their use by individual merchants wishing to make comparisons between their own operating figures and averages struck in the survey. Seven pages of detailed instruction are included to help in making these comparisons.

Meat markets in rented premises with an average annual turnover of $6,818 show a gross trading profit of 22% of total sales, best reported. Meat markets again, but in the $50,000 and over annual volume group, report highest average proprietor's net earnings per store. In the latter group, the proprietor-owned store with annual sales averaging $111,481, earned for its owner $4,723 net.

At the other end of the scale, a candy store in proprietor-owned premises and doing an annual $5,240 business, brought the lowest net to its owner—$531. Gross trading profit in this instance was 19% of total sales, total operating expenses 8.9%.

Jewellers Oppose New Tax Scheme

A suggestion that Ottawa might transfer collection of the 25% tax on jewellery store items from the point of retail sale to the manufacturers' level is being strongly opposed by the Canadian Jewellers' Association Inc. A delegation went to Ottawa a week ago to register its protest against the proposed move; and The Financial Post is told this delegation had the unanimous support of Canadian jewellers with the exception of a minority of about 100 in Quebec province.

No indication of what action might be taken was given the CJA group, but a spokesman for the Association told The Post it was clear the Government was convinced the trade does not want this tax hidden at the source. Retail jewellers would like to see it removed altogether or reduced, if any changes are to be made.

"If this tax were put back at the source it would have to be much higher than 25%, perhaps as much as 40%, to derive the same revenue for the government," pointed out J. Bliss, CJA treasurer and general manager of Oneida Ltd., Toronto. "If this applied for a year or so, until it represented a third or more of the individual retailer's inventory, and then were cut off, it would break about one third the jewellers in business in Canada. It would be the same to him as having a third of his stock stolen and no insurance covering it."

Another point made by CJA is the difficulty of permitting tax-free purchases for shipment home by tourists in Canada. A system for refunding taxes already paid by the retailer of tourist merchandise is considered complicated and slow.

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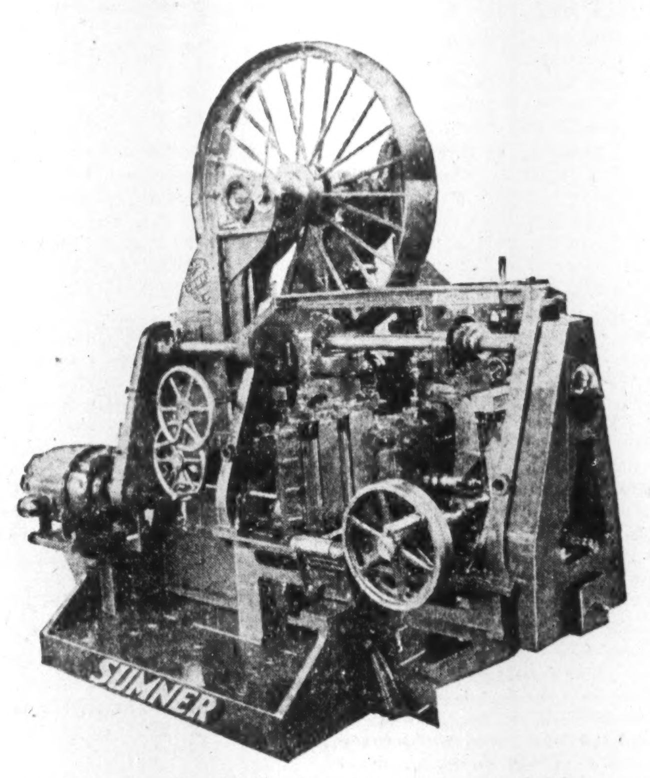

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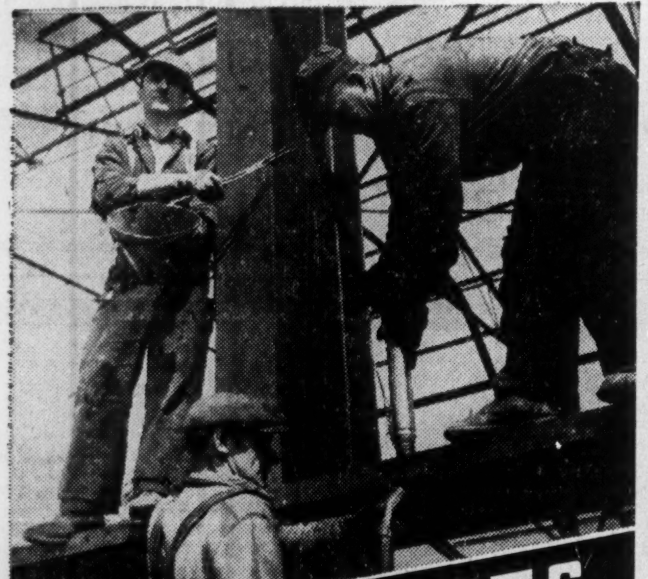

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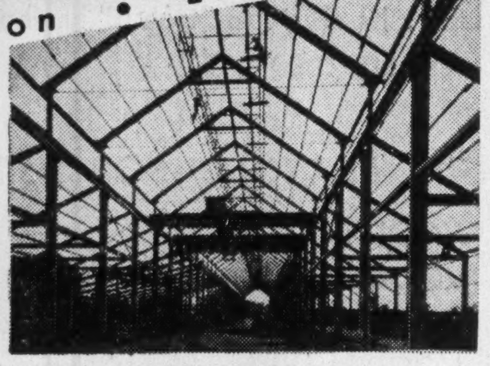

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Employment for a Quarter of a Million Canadians Springs from Forestry's $382 Million Payroll

Canada's forest industries give direct employment to more than 250,000 people. Operations in the woods in 1943 required the service of 107,790 (man-year basis); the pulp and paper industry employed 37,020; sawmills employed 43,954 and other forest industries employed 63,625. Salaries and wage bills totalled over $382 millions of which $180 millions went for wages for woods' operators; $71 millions in pulp and paper wages; $50 millions in sawmills and $81 millions in other forestry industries.

Chief forestry asset is pulp and paper. Here approximately $700 millions have been invested; and the significance of this figure becomes apparent when it is realized that this industry had more than twice the investment of any manufacturing industry in Canada at the outbreak of the war.

During the war, Canadian pulp and paper production was greatly expanded. Pulpwood production in the six war years was one third greater than the average in the 1935-39 period. Newsprint production increased from 2.9 million tons in 1939 to 3.3 millions in 1945, and 1946 estimates run substantially higher. Canadian shipments to the U. S. have been at an all-time high as consumption of newsprint in that country has increased, and as U. S. production of newsprint has been converted to the production of other types of pulp and paper.

Mainstay of U. S.

Canada's role in woodpulp is equally as significant. Besides supplying large quantities to the United Kingdom during the war, Canada is now relied upon by the U. S. to make up, in part at least, the shortfalls resulting from failure of the Scandinavian countries to resume their pre-war role of wood pulp exporters. Pre-war Canada exported, on an average, 600,000 tons annually of wood pulp to the U. S. During the war that performance was bettered by nearly 100%, and in 1946 the U. S. is looking to Canadian sources for at least 1.2 million tons, or double the pre-war rate.

Because of the volume of its U. S. exports, pulp and paper ranks as Canada's leading earner of U. S. dollar exchange. The importance of this factor in stabilizing Canadian-U. S. economic relations cannot be underestimated—particularly during the war years, when external value of the Canadian dollar was one of Ottawa's more important financial headaches.

See Bigger Market

Canada's future in pulp and paper is largely dependent upon U. S. demands. Here Canadian newsprint finds its largest market; here supplies of wood pulp and pulpwood are sent in increasing amounts. Experts predict Canada's share of an expanding U. S. market will increase, even when Scandinavia is in a position to make shipments there. This reasoning is based on the following considerations:

1. It is not considered likely that U. S. woodpulp production, now that peace is here, will be maintained at war levels. The U. S. it is held, was only able to increase its woodpulp production during the war by special measures taken under war stress. Some of these are admittedly unsound economically, and it is doubtful if they will be continued. In 1944, U. S. wood pulp production totalled 10,108,000 tons, an increase of 4 million tons from pre-war levels.

2. The U. S. cannot count on receiving more than 1.2 million tons from Europe for several years at least. Because of world-wide requirements for Northern European woodpulp and the almost total lack of coal in these countries, there can only be at best a modest expansion of pulp production there, it is held. Pre-war U. S. imports of wood pulp from Scandinavian countries averaged 2 million tons annually.

3. It is not expected that U. S. war consumption of pulp will be maintained in the peace years, but the decline in consumption is not expected to match the decline in production. Widespread substitution of paper and paperboard during the war for such scarce materials as steel, tin and lumber, opened up new markets for woodpulp, many of which will be maintained.

Would Increase Threefold

Reasoning similar to the foregoing would also apply to the outlook for Canadian newsprint, approximately 80% of which is sold in the U. S. Canada cannot be expected physically to continue woodpulp production in the postwar period at its wartime rate. Part of the increase was made at the expense of newsprint production and it can be expected that these mills will revert to their regular production. There is also the problem of proper forest conservation measures, now regarded as of prime importance to the Canadian pulp and paper industry, and the forestry industry, if current levels of production are to be maintained, let alone increased.

Forestry experts agree that Canadian forests can support an industry 3.6 times its present size, if areas now considered inaccessible were opened up, if adequate measures of silviculture and fire protection were developed, if present annual rate of growth were doubled. The estimated growth rate for Canadian forests is approximately half the rate which Scandinavian countries have achieved. Solution of this is recognized as the key to the future of Canadian forestry operations, the key to the extent to which Canada can participate in a civilization where wood and wood products are again coming into their own.

Size of the possible postwar markets for Canadian wood products does not stop at the extent to which the U. S. will buy basic wood products such as pulpwood, wood pulp and newsprint. It goes beyond that, into the technology of new products made from wood.

Besides supplying the pulp, paper and lumber industries, Canadian forests now actively maintain some 800 wood-using industries for the manufacture of furniture, sashes and doors, boxes and baskets, hardwood flooring, cooperage, wooden ware, boat building, veneers, etc.

Second Only To Agriculture

Canada's forests are one of her chief assets. In 1943, net value of forest products was $603 millions, ranking second to agriculture in the Canadian economy. This production was turned out by forest industries in which more than $1¼ billions are invested.

Forest areas of Canada were recently estimated by the Dominion Forest Service at 1,291,000 square miles, or 37% of the country's total land area. Of this, 813,110 square miles were classified as productive areas; while this figure, some 435,000 square miles are considered accessible.

Occupied forest lands total 255,526 square miles, of which 165,350 square miles are occupied Crown lands. Forest reserves and parks account for an additional 149,197 square miles.

Annual averages from 1934 through 1943, reveal that the maximum drain on Canadian forests was caused by lumber, fuelwood and pulpwood, in the order named, excluding timber destroyed by insects, diseases and forest fires. Were these latter considered, they would rank second to lumber.

Net value of 1943 production showed forestry, at $602,828,000 distributed as follows:

Operations in woods .	$205,000,000
Pulp and paper	164,244,000
Saw mills	91,714,000
Other forest industries	141,870,000

Net value of production, or value added by production, is one of the most significant criteria of the value of an industry to a country. In this, forestry ranked second to agriculture in value of primary and secondary production.

Sumner Iron Works Speeds Pulp Output

Striving to increase production of paper and pulp products to meet world needs, the Canadian pulp and paper industry is concentrating upon economical operation. The Canadian Sumner Iron Works, for instance, is co-operating with the best engineering brains in new designs, and construction of the latest type of pulp and paper mill equipment.

Engineers of the associated Sumner plant at Everett, Washington, working with pulpmill engineers in Washington and Oregon, have developed a mechanism for removing bark from the entire log by tremendous water pressure at a volume previously unheard of.

The second, and somewhat similar development of the Sumner organization is the building of hydraulic slab barkers. These are similar in some respects to the larger units and are being installed at several pulp mills, who in turn buy from the surrounding sawmills and from hand loggers, wood slabs which previously were considered waste from sawmill operation.

Management of the Canadian Sumner Iron Works reports its plant at Vancouver has now been completely transformed to a full-time peacetime production unit.

Construction Machine Company Is Organized

A new source of made-in-Canada construction machinery is opened with formation recently of Construction Machinery Co. of Canada, with headquarters in Waterloo, Ont., will manufacture and distribute in Canada a complete line of CMC construction equipment, industrial engines and industrial tractors, with complete service through distributing agents now being named. Ownership of the new company reportedly is on a 50-50 basis.

Waterloo Manufacturing Co. continues as a separate entity. Its plant covers seven acres, employs 250, has its own grey iron foundry; thus can wholly manufacture the complete CMC line, including concrete, plaster, mortar and bituminous mixers, pumps, hoists, batching and placing equipment, carts, power saws, concrete guns and electric generating plants.

Officers and directors of Construction Machinery Co. of Canada are:

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General manager and director, F. C. Taylor, factory manager Waterloo Mfg. Co.

Director, George W. Sawin, president, B. F. Goodrich Rubber of Canada.

Secretary-treasurer, E. W. Gillespie.

Sales manager, J. C. Hamilton.

Expansion Planned by Fairbanks-Morse Co.

MONTREAL (Staff)—Upward of half a million dollars will be spent by Canadian Fairbanks-Morse Co. this year in a capital expansion program, Vice-president G. M. Niven told The Financial Post. Bulk of the funds will be spent in the Toronto area where present warehouse facilities will be considerably enlarged to enable the company to consolidate its present position and handle prospective new business in that area.

Substantial outlays will also be made in Edmonton and Saskatoon where new offices and warehouses will be built on properties recently acquired by the company. New warehouse space will also be provided in Ottawa and work will shortly start in Sherbrooke where present capacity of the foundry there will be doubled.

Volume of present business, particularly in such consumer merchandise as electrical appliances and farm equipment, and strong likelihood that present volume will be accelerated prompted the decision to expand, Mr. Niven said.

SASKATCHEWAN FARMERS will receive $9 millions under the Prairie Farm Assistance Act for crop failure during 1945, according to R. F. McGregor, director. Total assistance in the three prairie provinces, is likely to be about $13 millions. Some 721 Saskatchewan townships have been declared eligible for benefits, and another 500 Saskatchewan townships are yet to be dealt with.

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Over the past eight years, production from Manitoba's forest industries has almost doubled. It is estimated that the net value of production for 1946 will be well over nine million dollars.
An extensive forestry programme is now underway, designed to perpetuate and increase the employment afforded by this important Manitoba industry.
DEPARTMENT of MINES and NATURAL RESOURCES
HON. J. S. McDIARMID, *Minister*
WINNIPEG - MANITOBA
D. M. STEPHENS, *Deputy Minister*

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2. WOOD alone lasts for centuries.
3. WOOD is easily adapted to the job in hand.
4. WOOD makes for speed in construction.
5. WOOD lends itself to modern trends in construction and design.
6. WOOD gives maximum protection.
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8. WOOD guarantees maximum safety for minimum cost.
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IN YOUR OPINION

How Can We Improve Civil Service?

The Question: To improve the efficiency of the civil service and get high competence, what changes in policies would you suggest?

Robert F. Chisholm

Vice-president, Gordon MacKay & Co., Toronto.

I suggest employing a department store personnel supervisor for training government clerks and officials in matters of courtesy, tact, speed and tolerance. Top civil servants are outstanding and could have great influence in achieving quicker action in all offices through use of the same type of training programs found necessary in all large organizations.

• • •

C. G. Dunn

President, Quebec Chronicle-Telegraph, Quebec.

Proper remuneration of knowledge and ability is a prime requisite with conditions which guarantee reasonable security and permanence of employment. Duties should be exclusively administrative and technical, all policy making and policy promotion being left to responsible ministers. The service should be neither required nor permitted to engage in government propaganda disguised as public information. There should be close liaison between departmental heads and the universities to keep continuous check upon young men and women of promise and be able to make first bid for their services on graduation.

• • •

Jean U. Fielding

President, Windsor Tribune Publishing Co., Windsor, N.S.

The civil service should be removed directly and indirectly from political influence or dictation from the Government. There should be a civil service administration or governing body independent of political influence to select employees without regard to their political affiliations. This administrative body should make all appointments to the service for their ability to perform their duties with supreme jurisdiction and power to appoint and discharge incompetent members failing to discharge their duties, disregarding governmental or political influence.

• • •

John W. Hobbs

President, Consolidated Plate Glass Co., Toronto.

There is an inherent weakness in government employment and that is the absence of monetary self-interest and uncertainty of promotion. There seems to be no way of correcting this. It would appear that much of the responsibility for the indifference or casualness in respect of public service rests with the deputy minister and those government officials in control of major government activities. While the minister is ultimately the responsible party, his tenure of office is always uncertain, whereas the deputies by reason of the work required are usually permanent and otherwise qualified officers, who should not let their positions become merely those of routine work.

• • •

Oswald Mayrand

Managing Director, La Patrie, Montreal.

The civil service commission should be composed of high cultured and broadminded men who could get rid of political influences and ignore the dictations of any patronage. The most qualified people only should be considered as worthy candidates to public offices. Once nominated, they should be left independent as to the fulfilment of their duty under the guidance of their responsible chiefs.

Do away with political interference. Civil employment should be made as attractive as any good business proposition; remuneration should be at the level of responsibility. Good servants of the state are entitled to rely on stability and security. We need less but better civil employees.

• • •

R. C. Pybus

Chairman, Engineering Institute of Canada, Vancouver branch.

The general opinion is that reorganization is urgently needed based on a technical job evaluation survey. The present general low standard of pay must be brought up to commercial standards and existing inequalities within the service eliminated. Remuneration should be based on requirements and responsibility of the position and filled by qualified personnel. The examining staff should be competent and experienced in the line of examination, competent technical personnel being used to examine for technical positions.

• • •

Redmond Quain, K.C.

Quain & Wilson, barristers, Ottawa

I find the civil service efficient. Somewhat less efficiency is to be expected because of its tremendous size and the discouragement to initiative and enthusiasm inherent in any organization in which profit is not a principal consideration.

Policies laid down in Parliament for civil service management could hardly be improved upon but deviations from these policies consisting of the injection of strangers into senior positions can postpone promotions of many subordinates for perhaps a lifetime and should be rare. Salaries of technical and professional men should be better than in Canadian and United States' industries.

• • •

Allan Ross

President, William Wrigley, Jr., Co., Toronto.

The federal civil service is a big business. To improve efficiency in any business, competition based on merit is of prime importance. High position, plus adequate financial reward, are the effective incentives to the lives of people ambitious to provide a good standard of living and future security for themselves.

My contacts with federal civil servants over 35 years point to the need of a thorough survey by a carefully selected royal commission of five, of whom three should be very experienced businessmen. Only a thorough study of all phases of this, the biggest business in Canada, will provide a fair measure of adequate compensation in salaries and future expectations to the individual civil servant. This survey is long overdue and should be made promptly in fairness to every civil servant. A very-high-salaried employee can be a low-cost investment whereas some low salaries can be costly.

• • •

Col. H. S. Tobin

President, Brewers & Distillers, Vancouver.

Senior key positions should be filled with the ablest men available and adequately paid. Closest liaison should be maintained between these executives and business and other national activities in order that they may be informed adequately and thus appreciate the complexities of the problems with which they have to deal.

U.K. Iron, Steel Shows Its Plans

The British iron and steel industry's own program for modernization and expansion, as outlined in a recent Government White Paper, incorporates separate reports from the Iron & Steel Federation and Joint Iron Council, respectively. The Government earlier had announced intention to nationalize important sections of the industry. Government plans are not included in the industry's reports nor has any statement been made yet as to whether or to what extent the industry's proposals will be incorporated in the Government program.

Report of the Joint Iron Council reviews capacity and efficiency; states development schemes either in hand or proposed in the U. K. iron founding industry are numerous and will cost several million pounds.

Iron & Steel Federation's program aims at a 7½-yr. £168 millions program to raise U. K. steel output from 13 to 15 million tons a year—total capacity 16 million ingot tons and average production 15 million ingot tons. Fuel consumption aimed at would put U. K. steel industry on a basis comparable to that achieved by any other country, the report states. Following are main features:

Build 4.7 million tons blast furnace capacity, 6 million tons steel ingot capacity; new blast furnaces with average 200,000-ton annual output.

Increase new building rate to 40% of the industry's productive capacity in 5-yr. period.

Scrap 3 million tons blast furnace capacity, 4 million tons steel ingot capacity.

Erect five new continuous mills of average capacity 450,000 tons, and new continuous strip mill with hot strip capacity 1 million tons a year.

Spend £9 millions on purchase of rolling mill equipment.

Plan full loading of efficient plants,

EDMONTON WILL HAVE a 10-story Ford hotel, of between 450 and 500 rooms, under a plan outlined by C. E. Pickering, Ottawa. Construction cost is estimated at between $1.5 and $2 millions.

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Mexico Tram Order Killed

The "stay of execution" order secured by Mexico Tramways Co. on April 12 against threatened Federal Government cancellation of company's Mexican tramway concession, has been thrown out by Supreme Court. This means that the Federal Government is now free to proceed with examination of Canadian company's defense and to decide on cancellation question.

The Supreme Court reversed a ruling of the First District Court which had granted the company an injunction against the order.

The tramway system is at present being supervised by an interventor appointed by the Federal Government.

Five reasons were advanced by the Federal Government in the original cancellation notice to company. The first three had to do with alleged failure of the company to maintain its properties and equipment, the fourth charged interruption of services without justifiable cause, due to strikes declared legal by the labor authorities, and the fifth charged that the company is foreign-owned.

In its defense, already in the hands of the Mexican authorities, the Canadian utility company has advanced its refutals and explanations to above charges.

MURPHY PAINT CO LTD. has notified Montreal Stock Exchange of a special May 23 shareholders' meeting, when authority will be sought to cancel 1,000 shares of 5½% cumulative redeemable sinking fund preferred shares still unissued, and to create an additional 30,000 common shares of no par value. The company proposes to issue all, or part, of the new common soon.

Purpose of the proposed increase in common is to enable the company to defray, in part, the expenditures made and to be made in Toronto for purchase of land and erection of a plant for manufacture of synthetic finishes, paints, varnishes and lacquers. Part of the proceeds will be used to supply the redemption price on the company's outstanding 3,270 5½% preferred shares at $105 and accrued dividends when the latter are called.

UNITED SERVICE CORP., 1945 sales were approximately $5,461,000, an increase of $1,084,000 over 1944 and more than $800,000 more than any proceding year. Net operating profits, including dividends on investments, were $325,580 after taxes, depreciation on properties, equipment, etc. Additional credits to income of $54,519 were principally realized from profit on sales on investments. All of the Corporation's series 'A' and 'B' bonds were called for redemption during the year and a new issue of 3½% and 4½% bonds amounting to $800,000, was sold.

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Position of Chartered Banks of Canada as of March 30, 1946, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada Secured	Demand Deposits in Canada	Savings Deposits in Canada	Deposits in Canada in currencies other than Canadian	Deposits Elsewhere	Bal. due to other Banks in Canada	Due to banks in U.K.	Due to Banks Elsewhere	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	6,117,089	188,987,446	26,352,877	....	492,728,073	750,867,739	10,574,509	134,311,251	2,197,240	9,654,781	29,497,051	16,970,497	531,825	31,307	39,000,000	36,000,000	1,743,821,689
Nova Scotia	2,255,862	38,327,707	1,722,484	....	136,889,176	272,854,245	1,311,137	111,173,209	4,555,984	1,273,841	4,213,288	32,187,519	798,098	366,700	24,000,000	12,000,000	643,929,255
Toronto	823,778	24,935,700	2,777,531	....	90,845,414	189,699,993	877,565	....	107,767	882,397	1,327,731	3,188,898	....	4,458	12,000,000	6,000,000	333,471,236
Provincial	529,865	5,588,858	484,494	....	26,265,887	94,789,017	46,399	....	3,813	....	62,108	306,821	7,429	9,310	1,000,000	4,000,000	133,094,006
Commerce	5,140,477	73,918,018	29,358,669	....	394,209,533	602,193,269	7,551,509	98,534,825	1,324,911	7,066,781	15,648,149	29,052,632	....	623,017	20,000,000	30,000,000	1,314,561,795
Royal	6,532,486	110,872,112	24,201,472	....	567,224,754	683,759,411	30,369,786	381,708,949	20,411	4,229,720	27,655,250	53,432,305	1,426,938	84,121	20,000,000	35,000,000	1,946,517,719
Dominion	904,021	26,483,449	1,774,499	....	88,408,043	155,806,248	687,284	13,194,352	1,832,931	3,351,625	1,263,523	8,882,656	70,480	176,987	7,000,000	7,000,000	316,836,103
Nationale	915,622	17,225,378	1,868,614	....	74,285,851	224,273,819	867,051	....	2,501,616	42,936	1,122,444	1,219,083	83,577	11,075	5,000,000	7,000,000	336,417,072
Imperial	1,098,207	27,865,231	19,551,017	....	108,103,934	188,540,540	1,479,798	....	2,565,709	1,169,689	2,582,589	6,430,100	....	177,576	8,000,000	7,000,000	374,564,394
Barclays	140,170	3,382,890	49,040	....	6,290,110	7,396,159	7,164,224	....	564,465	3,192,276	1,043,634	1,465,222	13,972	....	750,000	1,500,000	32,952,166
Total	24,457,577	517,586,789	108,140,697	....	1,985,250,775	3,170,180,440	60,929,262	738,922,586	15,674,847	30,804,046	84,415,767	153,135,733	2,932,319	1,484,551	136,750,000	145,500,000	7,176,165,435

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorized	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Greatest Amount of Notes in Circ.	Bills rediscounted with Bank of Canada
	$	$	%	$	$	$
Montreal	50,000,000	36,000,000	8	798,331	6,198,314	....
Nova Scotia	15,000,000	12,000,000	12	1,292,263	2,297,047	....
Toronto	10,000,000	6,000,000	10	175,801	833,048	....
Provincial	5,000,000	4,000,000	5	31,700	541,415	....
Commerce	50,000,000	30,000,000	8	896,011	5,210,490	....
Royal	50,000,000	35,000,000	8	732,201	6,655,576	....
Dominion	10,000,000	7,000,000	10	609,014	917,426	....
Nationale	10,000,000	7,000,000	7	94,908	930,692	....
Imperial	10,000,000	7,000,000	10	583,250	1,110,082	....
Barclays	1,500,000	1,500,000	....	8,311	144,035	....
Total	211,500,000	145,500,000	....	5,221,790	24,832,125	....

†And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes and Cheques on Other Banks	Govt. and Bank Notes other than Canadian	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Dom. Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Short Term Sec.	Prov. Gov. Long Term Sec.	Canadian municipal securities	Public Securities other than Canadian	Other bonds and stocks
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	2,994,038	19,244	31,277,819	161,315,065	52,730,252	930,990	10	5,054,052	32,656,810	430,345,309	409,641,636	38,886,594	76,133,223	23,085,059	67,578,559	43,488,850
Nova Scotia	654,908	824,954	12,800,941	34,322,461	16,529,511	22,657,083	....	4,165,566	18,803,309	108,837,373	138,181,748	11,086,646	14,516,365	8,546,429	29,253,998	14,121,359
Toronto	462,664	....	5,989,171	26,211,192	10,694,530	168,173	....	1,048,734	5,102,054	69,627,148	105,571,444	3,964,973	15,339,573	4,801,563	....	8,228,288
Provincial	440,972	....	2,784,223	13,871,072	3,638,707	40,096	556	29,504	1,317,306	39,110,688	17,098,296	4,360,995	12,661,787	9,553,770	....	2,174,918
Commerce†	1,413,716	172,402	21,449,047	93,551,750	34,834,553	1,798,894	....	4,840,026	28,084,667	264,304,758	406,650,784	14,058,705	23,919,610	8,463,632	51,774,963	23,741,237
Royal	2,363,389	1,605,255	29,948,839	110,678,992	57,721,798	60,981,035	5,839	13,921,150	17,579,403	381,295,490	480,593,002	31,433,703	41,993,662	20,989,702	95,640,355	44,143,637
Dominion	476,736	248	5,214,790	24,385,914	9,343,763	240,153	44	659,506	7,075,010	60,036,270	98,756,939	1,254,376	2,432,773	3,150,200	3,598,655	4,130,073
Nationale	1,106,423	....	7,569,458	22,907,358	8,433,558	153,539	1,296,834	130,757	1,958,472	90,316,385	75,394,825	4,994,677	17,532,204	12,519,659	556,044	5,489,327
Imperial	667,921	....	7,546,680	25,221,119	12,984,102	217,046	727,407	722,147	4,790,448	108,909,927	79,169,853	4,206,453	5,945,247	6,688,292	....	2,737,360
Barclays	7,232	....	140,542	2,658,950	348,981	3,226	136,931	1,331,357	4,181,794	8,315,325	2,972,723	791,804	3,450,474	349,740	2,808,606	....
Total	10,587,999	2,622,103	124,721,510	515,123,873	207,259,755	87,190,235	2,167,621	31,902,799	191,549,273	1,556,098,673	1,814,031,250	115,038,926	213,924,918	98,148,046	251,211,180	148,255,049

NAME OF BANK	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	‡ Real estate other than Bank premises	Bank Premises	Deposit for note circulation	Other assets	▲ Total assets
	$	$	$	$	$	$	$	$	$	$		$
Montreal*	23,531,927	45,092,670	247,331,693	9,775,167	3,831,386	9,010,769	281,672	811,302	10,620,581	409,076	3,205,925	1,747,010,192
Nova Scotia	25,758,394	4,831,863	115,798,680	17,372,402	4,140,307	1,530,790	83,049	63,403	5,818,021	152,064	2,379,734	645,418,889
Toronto	7,201,630	....	60,151,346	....	2,236,292	1,770,475	22,491	11,237	3,174,432	52,005	274,661	335,292,983
Provincial	5,790,091	....	16,643,844	....	35,147	1,195,504	34,047	422,941	1,745,625	41,681	65,748	133,364,351
Commerce†	18,421,266	19,868,493	219,625,744	20,169,516	5,568,568	4,054,747	172,522	844,202	15,606,352	350,000	3,527,337	1,316,320,138
Royal	48,508,767	31,417,433	231,217,759	101,399,913	1,175,528	5,990,656	307,063	731,901	10,834,277	460,000	5,393,371	1,951,764,238
Dominion	4,588,419	4,752,963	72,384,094	329,412	....	1,149,748	17,422	38,421	4,662,169	68,135	372,167	318,001,070
Nationale	4,628,672	....	69,324,156	....	564,320	4,619,019	15,544	801,317	4,988,670	73,893	242,436	336,836,641
Imperial	8,796,193	....	97,667,711	....	34,143	1,467,172	26,773	....	5,593,044	70,258	68,695	375,683,100
Barclays	423,387	....	2,608,257	....	....	100,000	12,491	....	895,963	16,948	4,218	33,024,182
Total	147,648,746	105,963,422	1,132,753,284	149,046,410	17,585,691	30,888,880	973,074	3,724,724	63,939,134	1,694,060	15,534,292	7,192,720,784

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*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

aIncludes mortgages.

▲Includes $153,135,733 letters of credit outstanding as shown in liabilities.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in the above general statement—Footnote to The Royal Bank of Canada Return.

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto

Week ending Monday close

Winnipeg, Calgary and Vancouver

Week ending Saturday close

WEEK ENDING MAY 20

Range 1946 High	Range 1946 Low	Div R'te $	May 20 Y'ld %		Sales	Last May 13	Week end. May 20 H	L	Cl'se
20¾	14	.	...	Abitibi A new	14221	18¼	18¾	17¾	18¼
21¼	17¼	.	...	Do. $1.50 pf n	9138	20¼	20	19	19
40½	38	.	...	Do. $2.50 pf n	230	39¼	39½	39	39
26¼	14¼	.	...	Acme Glove	180	23¾	24	24	24
107¼	100	6.50	6.1	Do. pref.	195	107¼	107¼	107¼	107¼
24	20¼	1.00	4.4	Acadia Atlan A	1528	22¼	22¼	22¼	22¼
106¼	103	5.00	4.7	Do. 5% pref.	80	106¼	106¼	106¼	106¼
41¼	28	1.80	4.5	Agnew Surp.	185	40	40	40	40
120	112	7.00	6	Do. pref.	55	115	116	112	116
26	21	.	...	Algoma Steel	610	22	23	21	21¼
103	100	5.00	5	Do. pref.	75	101	100¼	100	100
109	104¼	5.00	4.8	Alum of Can p	1422	106	106	104¼	105
225	129¼	8.00	3.7	Aluminium	2165	218	217	213	216
20	[illegible]	...	2	Amal. Electric.	475	19	20	19¼	20
23	19	▲■.50	..	Andian Nat.	10	20	19	19	19
57	54	2.75	5	Ang Can Tel p	130	55¾	55¾	55¾	55¾
12	8¼	.	...	Argus	4130	9¼	10¼	9¼	9¾
105	98¼	4.50	4.5	Do. 4½% pref.	135	101	105	100¼	100¼
3.65	1.90	.	...	Do. Warr.	1163	2.75	2.62½	2.50	2.50
35	30	.80	2.4	Asbestos	1370	33	33	32	32¼
18	12¼	.60	3.6	Ashdown Hdwe	875	17	17¾	17	17
66	55	1.00	1.5	Atlas Steels	155	65	66	65	66
73¼	60	▲*1.19	...	Assoc Tele. p.	10	70	66¼	66¼	66¼
22¼	16¼	.70	3.5	Bk. Can. Nat.	25	21	20¼	20¼	20¼
27¾	21¼	.80	3.1	Bk. Montreal	1110	26	26¼	26	26¼
40	33¼	1.20	3.2	Bk. N. Scotia	120	39	39	37¼	38
37¼	33	1.00	2.7	Bk. Toronto	470	36	37¼	37	37
24¾	19	1.00	4.6	Bathurst Pr.	1345	22¾	23¼	22¼	22¾
8	5¼	.	...	Do. (B)	535	7¼	7¼	6¾	7
49	39	2.00	4.2	Beatty Bros. A	310	48	47¼	45¼	47¼
41	31	2.00	4.9	Do. (B)	980	39	41	41	41
15¼	13	■.27½	...	Belgium Glove	45	13¼	13¼	13¼	13¼
20¼	18¼	1.00	4.9	Do. pref.	50	20	20¼	20¼	20¼
27	19¾	■.50	...	Beaver Lumber	305	26	27	26	27
211	181	8.00	3.9	Bell Telephone	1275	206	211	207	208
52	30¼	.30	0.7	Bertram & Son	90	48¼	47¼	47¼	47¼
23¼	23	.	...	Do. new	370	..	23¼	23	23¼
13	13	.	...	Biltmore Hats n	150	13	13	13	13
25¼	23	.	...	Do. pr A new	1830	24	25¼	24	24
8	7¼	.	...	Do. pf B new	140	..	8	7¼	8
16¼	10	.	...	Brand. Hender.	20	15¼	15¼	15¼	15¼
27¼	26¼	1.30	4.8	Brant. Cord. pf	10	27	27¼	27¼	27¼
16	15	.	...	Brant. Roofing	50	15	16	16	16
30¾	25¼	■1.00	...	Brazilian Tr.	8751	26¼	26¼	25¼	26
16¼	12¼	.50+.20	4.4	Brew & Distil	417	16	16¼	16	16
17	6¼	.	...	Bright, T. G.	30	15	17	17	17
28¼	25¼	1.00	3.7	Brit. Amer. Oil	1456	27	27¼	27	27¼
29¼	22	1.00	3.5	Br Am Bk Nts	290	28¾	28¼	27¾	28¼
52¾	38	■1.00	..	B. C. Packers	325	50	51	50	50
78	58¼	.	...	B.C. Pulp & Pa	360	70	70¼	67	69
35	27	1.60	4.7	B. C. Power A	1707	33¼	35	33¼	34
5¼	3¼	.	...	Do. (B)	13660	4¼	5¼	4¾	5
8¼	6¼	.	...	Brown Co.	4380	7	7	6¾	6¾
104¼	84	.	...	Do. pref.	226	95¾	94	92¼	94
23¼	19¼	■.40	...	Bruck S. Mills	1390	20¾	20	19¼	19¼
34¼	23¼	1.00	3.1	Building Prod.	854	32	33¼	31¾	32
15	12¾	.60	4.6	Burlington Steel	940	13	13¼	13	13¼
26¾	22	.	...	Burns & Co. A	420	26	26¼	26	26¼
17	11¼	.	...	Do. (B)	475	14¼	16	14¼	16
16	8¼	.40	3.6	Butterfly	1065	11¾	11¼	11	11
14¼	14	.50	3.5	Caldwell Linen	100	14¼	14¾	14	14¾
110	106	6.00	5.5	Calgary Pwr pf	5	107	110	110	110
9¼	6¼	.10	1.3	Canada Bread	845	7¼	7	6¾	6¾
108¼	102¼	4.50	4.2	Do. pref.	110	107	107	107	107
82¼	25	2.50	3	Do. (B)	5	80	82¼	82¼	82¼
25	14¾	.	...	Canada Cement	3827	23¼	24¼	22¼	22¼
148¼	130	6.50	4.4	Do. pref.	1545	147	148¼	147	148¼
111	106¼	5.00	4.5	Canada Cycle p	5	110	108	108	108
29¾	23	.80	3.2	C. & D. Sugar	955	26	25¼	24	24¾
30	24¼	1.50	5.6	Can. Forg. (A)	535	29	28¾	27	27

Range 1946 High	Range 1946 Low	Div R'te $	May 20 Y'ld %		Sales	Last May 13	Week end. May 20 H	L	Cl'se
108	105	5.00	4.6	Do. pref.	25	108	108	108	108
124	99¼	■1.00	..	Goodyear Tires	100	123	124	120¼	124
57	54	2.50	4.4	Do. pref.	233	56¼	57	56¼	57
28	24	■.75	...	Godfrey	6	27	27¼	27¼	27¼
16¼	12¾	■.15	...	Grand & Toy	25	15¼	16¼	16¼	16¼
35	15	■.50	...	Gt. Lakes Pap.	2673	32¼	32¾	28¾	28
65	42	1.50	2.5	Do. A & B	2089	64	63¼	60	61¼
425	370	15.00	3.5	Gt. West-Life	5	395	425	425	425
15¼	11¾	.	...	Gt. W. Saddlery	105	14	13¾	13¼	13¼
52	47	3.00	5.8	Do. pref.	10	52	52	52	52
13	6	.	...	Gurd, Chas.	215	10	10	10	10
17¼	14¼	.	...	Gypsum, Lime	2270	16	16¼	15¾	16
8	5¼	.	...	Hahn Brass	25	8	8	8	8
14¼	9¾	.	...	Ham. Bridge	860	10¼	14¼	9¾	10
21¼	18¾	.90	4.3	Ham. Cot., pf.	50	21¼	19¼	19¼	19¼
16¼	11	.30	2	Harding Carpet	665	14¼	15¼	14	14¼
39	23¾	*.50	...	Hayes Steel	115	31	29¼	29	29¼
25¼	21¼	1.00	4.1	Hinde & Dauch	80	24¼	23¼	23	23¼
7	4	■.25	...	Hot. De LaSalle	3	4	4	4	4
38	20¼	■.50	...	H. Smith Pap.	450	35	34¼	33	33¼
53	53	.	...	Do. new pref.	198	53	53	53	53
24	23	*1.25	...	Humberstone S.	455	23¼	24	23	24
15	10¼	.	...	Hunts (A) new.	325	14	14	12¾	13
105	93¼	4%	3.8	Huron & E. Mt.	96	105	105	100	105
8¼	6¼	.	...	Hydro Electric	950	7¾	7¼	7	7¼
30	26	1.00	3.4	Imperial Bank	730	29¼	29¼	29¼	29¼
17¾	14¼	.50	3.5	Imperial Oil	8417	14¾	14¾	14¼	14¾
16	13¾	.40+.15‡	2.9	Imperial Tob	2015	15¼	15¾	15¼	15¼
8¾	7¼	6%	4.5	Do. pref.	400	8¼	8¼	8¼	8¾
16	13	.60	3.8	Imp. Varnish	85	15¼	16	16	16
37	32	*.50	...	Indust. Accept.	200	34¼	34	34	34
80	75	3+1‡	3.8	Inter-City Bak.	25	80	80	80	80
37	27	2.00	7.4	Inter'c Coal	75	34¼	27	27	27
23	17¼	■.65	...	Inter. Bronze	175	23	23	22	22
40	33	1.50	3.9	Do. pref.	185	39	39	39	39
35¼	29¾	■.80	...	Int. Metal Ind.	990	33	34	33	33¼
105¼	102¾	4.50	4.3	Do. pref.	35	103	103¼	102¾	103¼
115	114	▲4.00	3.5	Int. Mill., pf.	8	114	115	115	115
47	39	▲1.60	3.7	Int. Nickel	3763	44	43¾	42	42¼
17	10	.	...	Int. Paints	100	17	17	16¾	17
35	28	1+1x	2.9	Do. pref.	29	32	35	32	35
59	45	.	...	Int. Pap. & P.	8115	57¼	57¼	53¼	54
144	120	▲5.00	3.8	Do. pref.	29	137	135	133	133
27¾	18¾	■.25	...	Int. Pete.	9161	19	19¼	18¼	18¾
57	44	.	...	Int. Power	255	54	53	52	54¾
18¾	16	▲■.20	...	Int. Util., new	300	18¾	18¾	18	18
15	9¼	■.25	...	Inv. Foundation	661	13	13¼	13	13
53¼	50¼	3.00	5.8	Do. pref.	3	52¾	52	52	52
140	118	7.00	5	Jam Pub Ser pf	15	140	140	140	140
16¼	14¼	.68	4.5	Journal Pub Ot	100	16	16	16	16
13¾	9¼	*.25	...	John Inglis	825	12¾	13	12¾	12¾
30	25	*1.00	...	Kelvinator	10	25	25	25	25
85¾	57	■.50	...	L. St. John Pr.	48	77	78	74	78
28¾	24¼	1.00	3.7	Labatt, John	990	27¼	27¼	27	27¼
37¼	29	1.20	3.2	Lake of Woods	150	36¼	36	35¼	35¼
162	151	7.00	4.6	Do. pref.	1	161	153¼	153¼	153¼
12¼	8¼	.	...	Lambert, Alf.	50	11	11	11	11
25	17	1.00	4.2	Lang, J. A.	425	23	24	23¼	24
4	2	.	...	Langley's	25	3	3¼	3¼	3¼
72¼	56	3.00	4.2	Do. pref.	10	72	71	71	71
24	19¼	.80	3.6	Laura Secord	610	22¾	23	20¾	22
15	14	.50	3.7	Lowneys	385	13¼	13¾	13¼	13¾
34¼	27¼	1+.25‡	3	Loblaw (A)	295	34	34¼	33¼	33¾
34	26¾	1+.25‡	3	Do. (B)	125	33¼	34	33¼	33¾
44	34	■.70	...	Maclaren Pr.	51	42¾	43	40	43
17¼	14	.	...	Maple Leaf M.	1470	17	17¼	15¼	16
21	14¾	■.25	...	Massey-Harris	3081	18¾	19	18¼	18¾
40¼	27¼	1.25	4.1	Do. pref.	875	29¾	30	29¾	29¾
21	18¾	1.00	5	McBrine	40	19¼	19¾	19¾	19¾
12¼	12	.	...	McCabe Gra. A	900	..	12¼	12	12¼
25¼	15¾	■.50	...	McColl Fron.	4958	25¼	25¾	23¾	24

Range 1946 High	Range 1946 Low	Div R'te $	May 20 Y'ld %		Sales	Last May 13	Week end. May 20 H	L	Cl'se
9¼	6	.	...	Do. (B) pref.	55	7¾	7¾	7¾	7¾
20¼	16	*1.00	..	United Grain A	231	20	20¼	19	20¼
13¼	8¼	.	...	United Steel	22877	12¼	12¾	11¾	12
18	15	.	...	Viau Bisc.	60	17	18	17	18
103	100	5.00	5	Do. pref.	1	103	100	100	100
94	74¾	4.00	4.3	Wabasso Cot.	216	92¼	94	92¼	94
154¼	108	4.00	2.7	Walker-Good.	3372	137¼	154¼	137¼	150
23¼	22	1.00	4.4	Do. pref.	675	22¾	23	22¾	23
14¼	19¼	■.25	...	West Brew	50	14¼	13	13	13
2¼	2¼	.	...	West Grain, pf.	410	2¾	2¾	2¼	2¼
215	145	3.00	1.4	West Grocers	10	205	215	210	215
230	155	7.00	3	Do. pref.	16	230	230	230	230
30	25	■.50	...	Westeel	180	29	29¼	28¾	28¾
34	27	.80	2.4	Weston, George	3140	33	34	33	33
108¼	104¼	4.50	4.2	Do. pref.	35	107¼	107¼	107¼	107¼
27	24	1.00	3.8	Wilsils	85	26¼	26¼	26	26
13	11	.	...	Windsor Hotel	97	12	12¼	12¼	12¼
20¼	13¼	.	...	Winnipeg El. A	20371	19¼	19¾	18	18¼
105	94¼	5.00	5	Do. pref.	165	103	102¼	100	100
29	24	1+.50‡	3.9	Wool Combing	135	29	29	28	29
19	14¼	.40	2.5	York Knitting	120	17	17	16	16
45	34	1.00	2.2	Zellers	1180	40	45	40	45
30¼	27¾	1.50	5.4	Do. 6% pref.	220	28¼	28¼	27¾	27¾
29¼	27	1.25	4.4	Do. 5% pref.	1020	28¼	28¼	28¼	28¼

†Paid in 1944. *Paid in 1945. ■Paid or payable in 1946. ▲N. Y. funds. ‡Extra. xOn arrears. ♦Payable in part in stock.

Mining Stocks

Week Ended May 20

Range 1946 High	Range 1946 Low	Div. Rate $	May 20 Yield %	Company	Sales	Last May 13	Week Ending May 20 High	Low	Close
.54	.26	.....	....	Alger	8,400	.28	.29	.27	.27
.30	.15	.....	....	Alta	12,000	.30	.29	.26	.27
.80	.80	.....	....	Akaitcho	1,000	.....	.80	.80	.80
2.40	1.50	.....	....	Amal. Lard.	1,929	1.85	1.70	1.50	1.60
.38	.25	.....	....	Amer. Y. K.	4,500	.30	.31	.27	.27
13.00	9.50	.20	2.1	Anglo. Hur.	757	9.65	9.75	9.50	9.55
1.95	1.30	.....	....	Anglo-Rou.	5,700	1.55	1.60	1.43	1.45
.30	.11	.....	....	Ansley	5,500	.11	.13	.12	.12
.86	.61	.....	....	Aquarius	5,100	.74	.75	.73	.75
.24½	.15	.....	....	Area	1,000	.19½	.19	.15	.15
.55	.25	.....	....	Arjon	29,650	.41	.41	.37	.38
1.70	.68	.....	....	Armistice	88,700	1.42	1.45	1.24	1.32
.11½	.06	.....	....	Arno	9,100	.07	.07	.06	.06
.62	.30	.....	....	Arntfield	72,475	.37	.37	.31	.34
.22	.12	.....	....	Ashley	4,700	.12½	.14	.12	.12
.87	.45	.....	....	Astoria Q	154,150	.53	.54	.45	.45
.50	.32	.....	....	Athona '37	43,000	.41	.41	.36	.37
.55	.30	.....	....	Atlas Y'fe	5,100	.39½	.40	.30	.30
1.02	.57	.....	....	Aubelle	94,600	.77	.83	.73	.74
1.55	.90	.....	....	Aumaque	29,600	1.00	1.00	.90	.90
7.25	4.50	‡.10	....	Aunor	2,150	5.30	5.25	5.05	5.05
.58	.27	.....	....	Bagamac	25,900	.30¾	.31½	.27	.27
.24	.12	.....	....	Bankfield	30,794	.15	.19	.15½	.19
.28	.19½	.....	....	Base Metals	8,685	.26	.25½	.25	.25
.26½	.20	.....	....	Bayonne	8,300	.22½	.23	.20	.20
1.64	1.00	.....	....	Bear Expl.	44,250	1.08	1.10	1.00	1.04
.36	.20	.....	....	Beatrice	6,500	.24½	.23	.22	.22
1.76	1.25	.....	....	Beattie G.	8,301	1.30	1.27	1.25	1.25
.57	.39	.....	....	Beaucourt	4,000	.40	.39	.39	.39
2.65	.45	.....	....	Beaulieu	811,800	2.33	2.65	1.35	1.57
15.75	12.00	‡.10	....	Belleterre	300	13.00	12.50	12.00	12.00
1.45	.85	.....	....	Berens R.	500	1.00	.90	.90	.90
.92	.65	.....	....	Bevcourt	26,000	.68	.71	.65	.68
.45	.27	.....	....	Bidgood	39,520	.30	.34	.27½	.27½
.30	.19	.....	....	Bobjo	16,500	.20	.22	.20	.22

.40	.20	....	....	So. West Pete	100	.21	.21	.20	.21
.14	.09	....	....	Spooner	600	.10	.11	.09	.11
.10½	.08	‡.01½	....	Sunset	2,100	.08½	.08¼	.08¼	.08¼
1.45	1.10	....	....	Texas Can.	40	1.10	1.10	1.10	1.10
.14½	.07	....	....	United Oils	9,600	.10	.10	.08½	.09
.16½	.09	....	....	Vanalta	15,100	.14	.15	.12½	.14

▼Paid in 1944. *N. Y. Funds. †Paid in 1945. k Extra.
□Sub. app. F. E. C. B. ‡Paid or payable in 1946.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
May 20	251,000	1,390,000	99,599	1,330,000
May 18	......	....	....	610,000
May 17	196,400	1,260,000	115,665	1,450,000
May 16	210,200	1,319,000	129,334	1,610,000
May 15	177,600	1,195,000	145,161	1,460,000

Government Bonds

May 21, 1946

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	105¾	106
3	Mar. 1954	105¾	106¾
3	Nov. 1956	105¾	106¾
3	May 1957	104¾	105¾
3	Jan. 1959	104¾	105¼
3	June 1960	104¾	105¼
3	Feb. 1962	104¾	105¼
2	Dec. 1946	100¼	101
2¼	Mar. 1948	101¾	101¾
1¾	Nov. 1946	100¼	100¾
1¾	May 1947	100¾	100¼
1¾	Mar. 1948	100¾	101
1¾	Nov. 1948	100¾	101
1¾	Nov. 1950	100¾	101
3	Oct. 1963	104¼	105
3	Sept. 1966	104¼	105
1¾	Nov. 1949	100¾	101
Dom. of Canada Bonds			
3¼	Nov. 1951	103¼	104¼
4	Oct. 1952	103¼	104
3¼	Feb. 1952	105¼	105¾
3	Oct. 1952	103¼	104
3	June 1955	103¾	104¼
4½	Nov. 1956	101¼	102
4½	Nov. 1957	104	104¾
3	June 1958	104¼	105
4½	Nov. 1958	106	106¾
4½	Nov. 1959	108¾	109
3¼	June 1966	105¾	103¾
3	Perpetual	103½	104¼
Dom. Guarantd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	103½	104¼
4½	Sept. 1951	124½	...
4½	Feb. 1956	132¼	...
4½	July 1957	133¾	...

%	Due	Bid	Ask
3	Feb. 1953	102	103
4½	June 1955	133¼	...
3	Feb. 1954	118¼	119¼
5	Feb. 1970	127¼	...
5	Oct. 1969	126¼	...
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	133¼	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	117¼	...
4	Jan. 1962	130¼	...
Provincial Govt. Bonds			
New Brunswick:			
3	Oct. 1951	101¼	...
3¼	Aug. 1949	100¾	102
3¼	June 1956	104¼	106
4½	Apr. 1961	130	...
5	Jan. 1960	135	...
Nova Scotia:			
3	Jan. 1952	104	105½
3¼	June 1956	104¼	106
3½	Nov. 1950	105½	107
4½	Sept. 1952	114	...
4½	Nov. 1960	133	...
5	Mar. 1960	138	...
Ontario:			
3	Nov. 1950	101¼	102¼
3¼	Nov. 1951	104	105½
3¼	May 1955	105¼	107
4	June 1962	130	...
4½	June 1950	109	110½
4½	Jan. 1962	137	...
5	Oct 1948	106¾	108¼
5	Dec. 1960	142	...
5¼	July 1946	100	101
Ont. Hydro Commission:			
3	Aug. 1948	100	101¼
3¼	Feb. 1953	104¼	105¾

%	Due	Bid	Ask
3¼	Apr. 1947	101	102½
Prince Edward Island:			
4	Mar. 1954	102	105
Quebec:			
3	Nov. 1947	101¼	102¾
3¼	Mar. 1948	101¾	103¼
3¼	Mar. 1959	105¼	107
4	Nov. 1952	106¾	108¼
3¾	Feb. 1955	106¾	108¼
4½	Aug. 1958	113	115
4½	Jan. 1963	118	120
Alberta:			
3¼	June 1964	103½	...
3¼	June 1966	103½	...
3¼	June 1968	108	...
3¼	June 1972	108	...
3¼	June 1978	108	...
British Columbia:			
4	Dec. 1957	124	...
4½	Jan. 1951	121	...
4½	Oct. 1953	125	...
5	Apr. 1954	129	...
6	Feb. 1947	102	...
Manitoba:			
4	Man. 1957	123¼	...
4½	Dec. 1956	127	...
5	Dec. 1959	135	...
5	Oct. 1955	120	...
6	Apr. 1947	102¼	...
Saskatchewan:			
4	Sept. 1954	102	103½
4	Nov. 1960	104	106
4½	Oct. 1951	113½	...
4½	Mar. 1960	114¼	...
5	Aug. 1958	113	115
5¼	Oct. 1952	111	113
6	Mar. 1952	112	114

Unlisted Stocks

(Compiled from quotations supplied by Kamm, Garland & Co., Kippen & Co. Inc., and Plaxton, McDonnell & Co.)

May 21, 1945

	Bid	Ask		Bid	Ask
Allens Toronto units	38.00	....	Lambton Loan & Inv. $50	55.00	....
Anglo Can. Telephone A	12.50	14.00	Loblaw Groc Inc.	23.25	25.00
Brand. Henderson com.	15.00	18.00	London & Western Tr. $100	82.00	....
British Mortgage and Trust	165.00	....	Manufacturers Life Ins.	290.00	315.00
B. C. Sugar	95.00	98.00	Maxson Food System	6.00	7.50
Canada Machinery com.	17.00	19.00	Midland Loan & Svgs. $10	17.00	....
Canada Paving 1st pfd.	7.50	....	Monarch Life Assoc. 20%	70.00	....
Canadian Airways	4.00	....	Monarch Mtge. units	3.50	....
Canadian Fairbanks com.	38.00	40.00	Mountview Apts. pfd.	8.50	....
Can. Ingersoll Rand	68.00	70.00	Montreal Island Power pf.	....	42.00
Can. Investors Corp.	8.00	9.50	Montreal Trust Co.	92.00	....
Can. Investment Fund	5.50	6.00	National Drug & Chem. c.	7.75	8.50
Canadian Motor Lamp A	14.00	16.00	National Hosiery pfd.	4.50	5.50
Can. Silk Prods. A	32.00	34.00	National Hosiery com.	5.50	....
Can. West Nat. Gas pfd.	106.00	....	New Brunswick Telephone	13.50	....
Capital Trust Co. $100 par.	75.00	....	Ont. Beauty Supply com.	3.00	3.50
Capital Wire Cloth com.	6.00	....	Ont. Beauty Supply pfd.	20.50	22.00
Capital Wire Cloth pfd.	23.00	....	Ont. Tobacco Plant units	32.00	....
Cawthra Apts. units	4.50	....	Paramount Kitchener units	53.00	....
Chase, A. W. units	32.00	....	Provincial Bank of Canada	14.00	....
Colonial Steamships com.	93.00	98.00	Provincial Paper pfd.	108.00	110.00
Commercial Finance com.	11.00	14.00	Prudential Trust	9.00	12.00
Commercial Life 10% paid.	7.00	8.50	Ruddy, E. L., pfd.	145.00	....
Commonwealth Inter. Corp.	4.18	4.59	St. John Drydock pfd.	105.00	....
Confederation Life Assoc.			Sawyer Massey com.	2.25	3.00
30% paid	150.00	....	Seiberling Rubber com.	10.00	....
Continental Life 20% pf.	38.00	....	Sincennes McNaughton T.	2.00	3.00
Detroit Internat'l Bridge	17.00	19.00	Sherbrooke Trust	1.33	....
Dover Industries Ltd.	12.75	13.75	Sovereign Life Assce. 25%	33.00	....
Dunlop Tire pfd.	26.00	27.50	Standard Fuel pfd.	101.00	....
Empire Life Ins. 25% pd.	16.50	18.00	Standard Fuel com.	4.50	....
Federal Foundries & Steel			Sun Life Assce.	575.00	595.00
Co., new com.	3.00	3.75	Third Can. Gen. Inv.	4.00	4.50
Foreign Power Sec. pfd.	14.00	18.00	Toronto Carpet. pfd.	98.00	....
Galt Brass com.	27.00	....	Toronto General Ins.	5.75	6.75
Goderich Elevator & Trans.	14.50	16.50	Trusts & Guarantee $100	101.00	....
Great Laker Power pfd.	114.00	117.00	United Farmers Co-op	3.00	4.00
Great-West Life	400.00	425.00	United Steel A pfd.	27.00	....
Guardian Realty pfd.	34.00	....	Victoria Trust & Svgs.	110.00	....
Guaranty Co. of N. Amer.	350.00	....	Waterloo Mfg. com.	11.50	12.75
Guelph and Ont. Svgs. $50	53.00	....	Wentworth Radio com.	63.00	67.00
Gurney Foundry pfd.	3.00	3.50	Western Grain com.	2.25	3.25
Hart Battery com.	9.00	10.00			
Halifax Insurance	20.00	21.50	Western Grain pfd.	46.00	50.00
Inter. Utilities $3.50 pfd.	56.50	59.00	York Trading com.	6.50	8.00

Unlisted Mines

Approximate quotations, 3 p.m., May 20, 1946, subject to confirmation.

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abenakis	.10	.12	De San n	.11	.13	MacFie	.40	.45	Pelangio	.08½	.10
Advance	.19	.22	Dexter	.60	.70	Maj Oil	.09	.011	Phelps	.07	.09
Alb Riv n	.30	..	Dom Mal	.06	.08	Manterre	.11	.13	Pinnacle	.08	.10
Alcan	.07	.09	Don Pat	.03	.04	Marbenor	.34	.37	Poona Go	.03½	.04½
Alexand'r	.27	.30	Doris	.33	.36	Marquet	.04½	.05½	Presdor	.04½	.05
Alpo	.04½	.05½	Dunford	.10	.12	Mar Bird	.12	.14	Privateer	.60	.65
Ama Kir	.15	.17	Eastw'd	.30	.33	Mary Ann	.18	.21	Qest	.40	.43
Anna 'Que	.07	.08	Electra	.15	.18	Mat Con	.40	.45	Rajah RL	.09	.11
Anoki	.07	.08	Elmas	.42	.48	Mate Yel	.10	.12	Rambull	.04	.05
Apex Oil	.05	.06	Erin Kirk	.04½	.06	Met'ore	.07	.10	Rand Mal	.12	.14
Argonaut	.12	.15	Erek Co.	3.30	3.35	Mic of Cn	.30	.34	Raym Tib	.10½	.12
Arntf'd	.05	.07	Flicka	.32	.35	Miles RL	.27	.30	Rebair	.42	.45
Audley	.04	.06	Gilbec	.02½	.03½	Mof't H n	.03	.04	Redruth	.10	.13
Aurlando	.10	.12	Goodr'k	.05	.06	Moh'k P	.04½	.06	Redwood	.11	.13
Aurora Y	.79	.83	Gord Leb	.10½	.12	Murbell	.04	.05	Richg'p	.13	.16
Auterra	.04	.07	Gov Gold	.13	.16	Murmac	.30	.32	Ritoria	.07	.09
Barb L n	.06	.08	Greenlee	.20	.22	Mylam	.86	.90	Rhyolite	.05½	.07
Blondor	.12	.14	Gwillam	.40	.43	McCuaig	.13	.15	Rupun	.34	.37
Bl Grass	.08	.10	Habit't	.13	.16	McManus	.19	.22	Salmita	.60	.65
Bouzanne	.15	.18	Harp Mal	.05½	.07	Nat Mal.	.32	.35	Santiag	.52	.57
Bour-Cent	.14	.17	Hayes CD	.04½	.05½	Nayb '45	.55	.60	Sepha	.13	.15
Brae Br	.13	.15	Highr'dge	.15	.17	Nereco	.31	.34	Sheldon	.45	.50
Bravo	.06	.08	Hornif't	.19	.21	New Aug	.14	.16	Skyn Lk.	.04	.06
Brewis	.39	.43	Hoyle	.22	.25	New Mal	.07	.09	Sovereign	.21	.23
Brig RL	.18	.21	Hugh P P	.10	.12	New Nor	.29	.32	Steeber	..	.12
Brock	.15	.17	Independ	.11	.13	Nic Off	2.50	..	Sun Bear	.11	.13
Burley PO	.04	.05	Indyke	...	.35	Norb	1.00	1.10	Thornhill	.13	.16
Camlaren	.11	.13	Joannes D	.03	.05	Norc't	.15	.18	Tiffany	.07	.09
Carricona	.09	.11	Kamlac	.30	.33	Norford	.11	.13	Tobico	.04	.05
Cassidy	.28	.32	Ken-Bay	.12	.15	Normar	.15	.17	Tovarich	.03½	.04½
Cen Mani	.10	.12	Kencour	.11	.14	Nortyne	.04	.06	Typhoon	.40	.44
Cheskirk	.18	.21	Kenda Pe	.24	.27	Novele P	..	.10	Val d'Bel	.09½	.10½
Cock RL	.09	.10	Kenroy	.07	.09	Obalski	.22	.25	Vin Min	.85	.95
Columb	.27	.29	Lk Rowan			do '45	.62	.65	Vinray	.29	.32
Con Chib	.36	.40	1945	.34	.38	Obaska	.30	.33	Virginia	.23	.26
Con Cop	.25	.27	Lk Expa	.16	.19	Okled	.07½	.08	Wesley	.03½	.04½
Courag	.16	.20	Lar-Add	.07	.09	Olivet	.04	.06	West RL	.07	.08
Craibbe	.40	.45	Lard U	.07	.09	Opemiska	.26	.28	W Shore	.05½	.06½
Croydon	.13	.16	La Salle	.23	.25	Orpit	.07	.10	Wilwood	.07½	.09
Cuyuni	1.15	1.25	Lavalie	.10	.12	Ortona	.10	.12	Winchest	.22	.24
D'Aragon	.29	.31	Legardo	.05	.06	Osulake	.83	.87	Wingait	.12	.14
Derlak	.07	.09	Lingnora	.12	.14	Pascalis	.29	.31	Yellowk	3.00	4.00
Detta	.36	.40	Louvore	.06	.08	Peg Tan	2.65	2.80	Y. Davids	.28	.30

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	10	8	4	4	9	13	8	16	14	8	18	100
(Base 1935-39=100)												
***1935 to date:**												
High	210.2	285.4	149.7	123.7	208.3	136.9	409.2	162.4	146.2	135.0	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1946: Monthly Figures:												
Jan.	168.2	252.6	130.6	90.0	183.7	127.8	357.6	149.0	125.7	121.6	148.6	123.8
Feb.	172.9	248.5	132.1	84.8	187.8	130.3	334.0	150.5	122.7	126.8	146.0	121.8
Mar.	189.2	244.4	130.6	81.6	186.8	129.0	327.8	148.6	121.7	129.2	142.4	119.2
1946: Weekly Figures:												
Apr. 4	202.8	269.2	138.8	85.4	196.2	131.9	347.8	159.8	125.5	132.1	145.9	124.8
Apr. 11	204.3	274.4	141.2	84.5	198.4	133.7	348.2	159.4	124.9	133.1	146.3	124.7
Apr. 18	209.8	285.4	144.5	85.9	201.3	135.3	348.5	160.9	125.2	135.0	147.6	126.1
Apr. 25	210.2	280.1	139.6	83.7	201.4	135.1	343.0	161.1	124.3	133.9	144.3	124.5
May 2	208.0	277.2	143.0	83.5	203.5	136.9	381.3	161.6	124.2	133.7	142.9	125.3
May 9	203.7	274.2	146.3	75.5	203.6	135.3	389.2	160.4	122.6	134.6	140.9	122.9
May 16	202.0	273.8	141.0	74.4	208.3	136.6	409.2	162.4	119.0	134.1	140.5	123.5

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
May 20	201.98	122.25	101.33	27.51
May 18	......	......	......	......
May 17	202.45	123.28	99.89	27.52
May 16	202.13	122.88	100.18	27.55
May 15	201.50	123.49	99.86	27.63
Month ago	201.90	131.09	100.29	29.35
Year ago	144.90	127.58	81.59	30.58
1946 High	203.64	147.31	108.20	33.69
1946 Low	178.73	122.25	94.34	27.52

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	20 Comb.	10 Pprs.	15 Golds
May 20	82.5	144.2	123.6	385.34	100.29
May 18	...	....	....	.....	.....
May 17	82.3	144.1	123.5	383.44	99.89
May 16	83.3	144.2	123.9	383.96	99.95
May 15	82.9	144.1	123.7	386.06	100.19
Month ago	81.7	143.5	122.9	406.09	103.62
Year ago	61.4	97.4	85.4	194.64	98.23
1946 High	83.9	145.3	124.8	410.80	118.56
1946 Low	73.5	126.3	109.4	304.39	98.61

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
May 20	207.13	64.36	42.75	76.89
May 18	205.80	63.52	42.69	76.32
May 17	206.56	63.60	42.67	76.51
May 16	206.17	63.96	42.86	76.58
May 15	205.07	63.78	42.73	76.25
Month ago	207.99	65.04	43.68	77.53
Year ago	165.99	55.95	31.10	62.22
1946 High	208.31	68.23	43.68	78.42
1946 Low	186.02	60.53	37.97	69.81

Grain Prices

Winnipeg Grain Futures

Week to May 20, 1946

Crop year from Aug. 1, 1945 High	Low		High for week	Low for week	Close May 20
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
2.66¼	1.49¼	July	2.55	2.42	2.49½
2.21⅛	1.59⅞	Oct.	2.20¾	2.11	2.20¾
2.12⅞	1.81⅞	Dec.	2.11¾	2.03⅜	2.10⅜

*At ceiling.

Cash Quotations

For Week

	May 20 High	Low	Prev. Week High	Low
Oats*				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	2.68	2.58	2.89	2.73

*At ceiling.

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	May 20 Bid	Ask
Do., scripts	■1.00	18¾	..	..
Simon & Sons pf.	5.00	105	105	..
St. Law. Flour pf.	7.00	152	156	..
Stand. Chem. pf.	5.00	103½	103	..
Sterling Coal	...	10	9¼	..
Sterling Trust	4.00	102½	..	..
Stowell (B)	...	15	7	12¾
Sup. Pete. Ord.	1.00	48	46	48
Do., com.	1.00	46	43	..
Thayers	...	9	5	10
Do., pref.	■2.10	30	30	35
Thrift Stores pf.	1.62½	42	..	..
Theatre Props.	...	3¾	4	5
Tor. Mortgage	5.00	130	126	..
Traders Bldg.	4+1‡	80	..	85
Trad. Fin. pf. 4½%.	4.50	105	105	105½
Do. (A) rights	1.00	18	20	..
Do. (B) rights	1.00	18	20	..
Tuckett Tob. p.	7.00	183	173	200

Mining Stocks

Ashbourne	...	.13½	..	..
Bear Lake	...	.01	..	..
Bouzon	...	.18	..	.17
Bruce Cons.	...	.04	..	.05
Cent. Manitoba	...	.11	.09½	.11
Chromium	...	1.00	1.10	1.45
Coast Copper	...	2.40	2.25	2.45
Cryderman	...	.01½	.01½	.02
Douglas Lake	...	.10	..	..
Golconda	...	.31	..	..
Gold Lake	...	.03	.02	.03
Inter. Mining	...	10.00	..	..
Kerr Lake	†*.05	.55	..	.85
Kootenay Belle	...	.12	.10½	..
Laluz	†.22	6.00	5.75	5.85
Mentor Explor.	...	2.50	..	..
Min. Corp. Warr.	...	1.10	1.30	..
Norgold	...	.10	.09	.11
North. Empire	†.10	2.30	2.30	..
Proprietary	‡.10	14.50	14.37½	14.50
Prospectors Air's	...	.50	.45	..
Red Cloud	...	.02	..	.02
Simcoe	...	1.13	..	..
S. American G.	†*.20	1.10	..	..
Star Lake	...	.02	.02	.02½
Sunloch	...	.20	..	..
Tiblemont	...	.25	..	.27
Oil Stocks				
Acme Gas & Oil	...	.08¼	.08¼	.09
Admiral	...	.06	.05	.07
Advance	...	.01	..	..
Ajax	...	2.02	..	..
Arrow	...	.06½	..	..
Commoil	‡.00½	.30	.32	.32
Federated P.	...	.42	..	.45
Freehold	...	.02	.01½	.02
Mill City	...	.06	.06	..
Model Warr.	...	1.15	..	..
New Ranch	...	.02	.03	..
Oil Selections	...	.04½	.04½	.05
Richland	...	.01½	..	..
Royal Crest	...	.05	.04½	..
Share Roy.	...	.03¼	.03¼	.03½
Trans. Alta.	...	.04	.03¾	.04
Turner V.	...	.15	..	.25
Vulcan	...	.22	.21	..
Wellington	...	.02	.02½	..

†Paid in 1945. *N. Y. funds.
‡Paid or payable in 1946.

Company Meetings

1946	Company	Place
May 28	Assoc. T. & T.	Wilmington, Del.
May 28	Tuckett Tobacco	Hamilton
May 28	Hollinger Cons.	Montreal
May 29	Can. Cottons	Montreal
June 13	Great Lakes Paper	Toronto
June 14	*Dist. Corp.-Seagrams	Montreal
June 18	Paramount Pict.	New York
June 20	Can. Industries	Montreal

*Common shareholders only.

Dividends Declared

	This payment $	Date payable	Date of record
Acadia Atla., A	.25	July 2	June 10
Do., 5% pfd.	1.25	June 15	May 20
Acme Glove 6½% pref.	3.25	June 1	
Agnew-Surpass	.45	June 1	Apr. 30
Do., 7% pfd.	1.75	July 1	....
Algoma St. 5% p.	2.50	July 1	June 1
Aluminum 5% pf.	.49	June 5	On red.
Aluminium	2.00	June 5	May 11
Do., 6% pfd.	†1.50	June 1	May 4
Ango.Can. Tel. A	.15	June 1	May 10
Amal. Elec.	.30	July 2	June 1
Andian Nat.	†.50	May 30	May 20
Argus Corp. 4½% pfd.	1.12½	June 1	Apr. 30
Aunor Gold	.05	June 1	May 10
Bk. Can. Nationale	.17½	June 1	May 15
Barber-Ellis	12½&.12½	June 15	May 31
Bk. Montreal	.20	June 1	Apr. 30
Bk. Toronto	.25	June 1	May 15
Bathurst Pwr.	.25	June 1	Apr. 30
Beath & Sons "A"	1.00	June 1	May 15
Belgium Glove	.10	July 1	June 1
Do., 5% pref.	.25	July 1	June 1
Borden Co.	†.50	June 1	May 11
Brazilian Tr.	1.00	June 20	May 3
Br. Am. Bk. Nts.	.25	June 15	May 15
Br. Am. Oil	.25	July 2	June 5
Bruck Silk	.20	June 15	May 15
Building Prod.	.25	July 2	June 1
Butterfly Hosiery	.20	June 15	May 15
Do., 7% pfd.	3.50	July 30	June 30
Can. Bread	.10	July 2	June 5
Do., 4½% pfd.	1.12½	July 2	June 5
Do., 5% B pfd.	.62½	July 2	June 5
Can. Cement pfd.	1.62½	June 20	May 22
C. & Dom. Sugar	.20	June 1	May 10
C. Cycle & M. pf.	1.25	June 29	June 14
Can. Perm.	2.00	July 2	June 15
Can. Vinegars	.15	June 1	May 15
Can. Canners	.31¼	July 2	June 7
1st pf.	.25+.05	July 2	June 7
2nd pf.	.15+.15	July 2	June 7
Can. Tire	.20&.05	June 1	May 20
Can. Food	.12½	July 1	May 31
Do., "A"	.25	July 1	May 31
C. Foun. & F. "A"	.37½	June 15	June 1
Can. For. Invest.	.75	July 2	May 31
C. Int. I. Trust pf.	1.25	June 1	May 10
C. Malartic G. M.	.02	June 20	May 29
Can. Malting	.50	June 15	May 15
Can. Marconi	.04	June 1	Apr. 15
Can. Machinery	.50	June 28	June 10
Can. N. Pwr.	.15	July 25	June 20
Do., 7% pref.	1.75	July 15	June 20
Can. Breweries	.31¼	July 1	May 31
Can. Gen. Elec.	2.00	July 1	June 15
Can. I. Al. A & B	.25	June 1	May 2
Can. Indust. A & B	1.50	July 31	June 28
Do., 7% pfd.	1.75	July 15	June 14
Catelli Food	.30	May 31	May 22
Do., 5% pfd.	.38	May 1	May 22
Chateau Gai	.25+.15	June 4	May 18
Circle Bar Knit	.15&.05	May 31	May 15
Cockshutt Plow	.25	June 1	May 1
Do.	.25	Dec. 2	Nov. 2
Con. Bakeries	.20	July 1	June 5
Confederation Life	1.50	Jun. 15	Jun. 10
Do.	1.50	Sept. 15	Sept. 10
Do.	1.50	Dec. 15	Dec. 10
Cassidy's 7% pfd.	1.75+3.50	July 2	June 3
Com. Alcohol	.05	July 15	June 29
Do., 8% pfd.	.10	July 15	June 29
Com. Glass	.50	May 31	Apr. 30
Coniaurum Mines	.03	June 27	June 6
Corr. P. Box pf.	1.25	June 1	May 15
Crow's Nest	1.50	June 3	May 8
Davis Leather A	.37½	June 1	May 1
Do., B	.17½	June 1	May 1
Detroit I. Bridge	†.20	June 29	June 8
Dist. C.-Seagrams	.55½	June 14	May 29
Do., 5% pref.	†1.25	Aug. 1	July 16
Dome Mines	.30	July 30	June 29
Dom. Envelope pf.	.87½	June 1	May 15
Dom. & Ang. Inv. 5% pfd.	1.25	June 1	May 15
Dom. Malt	.20	Aug. 1	June 30
Do., 5% pfd.	1.25	Aug. 1	June 30
Dom. Scot. Inv. 5% pref.	1.00	June 1	May 1
Dom. Steel "B"	.25	June 30	May 31
Dom. Stores	.25	June 15	May 18
D. Tar & Chem. p.	•.25	July 2	June 1
Dom. Textile	1.25	July 2	June 5
Do. 7% pf.	1.75	July 15	June 5
East Steel	.20	June 1	May 15
English Elec. "A"	.25	June 15	May 31
Falconbridge N.	.05	June 26	May 29
Fraser	.50	July 25	June 29
Freiman, A. J., pf.	1.50	July 1	June 15
Gatineau Pr.	.23	July 1	June 1
Do. 5% pf.	1.25	July 1	June 1
Do., 5½% pf.	1.38	July 1	June 1
Globe Oil	1¼	June 1	May 15
Godfrey Realty	.75	June 15	May 27
Gt. W. Saddl'y 1 p.	.75	June 29	May 31
Do., 2nd pref.	.75	June 29	May 31
Halinor Mines	.07	June 1	May 10
Hahn Brass pfd.	.50	July 1	June 12
Hamilton Cotton	.22½	June 1	May 10
Hinde & Dauch	.25	July 2	May 2
Holt, Renfrew 7% pref.	3.50	July 15	June 15
Hudson B. M. & S.	.50	June 10	May 10
Imp. Tobacco	.10	June 29	May 14
Imperial Oil	.25	June 1	May 17
Imp. Varnish	.15	June 1	May 21
Do., pfd.	.37½	June 1	May 21
Indust. Accept. pf.	1.25	June 29	May 31
Int. Bronze	.25	July 15	June 15
Do., 6% pfd.	.37½	July 15	June 15
Int. Nickel*	†.40	June 29	May 31
Int. Paper	.50	June 29	June 7
Int. Pete.	.25	June 1	May 15
Do., pref.	.25	June 1	May 15
Int. Utilities	†.20	June 1	May 16
Inv. Foundation p.	.75	July 15	June 15
Island Mountain	.05	May 28	Apr. 26
Lake Shore M.	.20	June 15	May 15
Lake of Woods	.30	June 1	May 8
Do., 7% pfd.	1.75	June 1	May 8
Lamaque G. M.	.05	June 1	Apr. 23
Langley's 7% pfd.	.50	June 11	June 4
Do.	.50	Sept. 11	Sept. 4
Do.	.50	Dec. 11	Dec. 4
Lang & Sons	.25	July 2	June 10
Laura Secord	.20	June 1	May 1
Levy Bros.	.10	July 2	June 1
Loblaw Groc.	†.20	June 1	May 16
Loblaw Groc. A & B	.25&.12½	June 1	May 7
Maclaren Pwr.	.35	May 31	May 11
McIntyre Porc.	.55½	June 1	May 1
Melchers Dis. 6% p.	.30	June 30	May 31
Mercury Mills	.25	Aug. 1	July 15
Molsons Brew.	.25	June 26	June 5
Robt. Mitchell	1.00	June 15	May 15
Madsen R. L.	.04	June 15	May 25
Model Oils	.02	June 21	May 31
Monarch Knit	.15	July 1	May 17
Do.	¶.20	Oct. 1	Aug. 31
Do., 5% pref.	1.25	July 1	May 31
Do.	1.25	Oct. 1	Aug. 31
Mont. Cottons	.13	June 15	May 22
Do., $1.75 pf.	.44	June 15	May 22
Mt. Royal Hotel	.30	June 25	June 10
Montreal Loan	.31¼	June 15	May 31
Nat. Biscuit	†.30	July 15	June 11
Do., 7% pfd.	†1.75	May 31	May 14
N. Scotia Lt. & Pwr. pfd.	1.50	June 1	May 14
Noranda Mines	1.00	June 15	May 15
Normetal M.	.10	June 24	June 14
Nor. C. Mtge. 6% p.	.50	June 1	May 15
Ogilvie Flour	.25	July 2	May 28
Do., 7% pf.	1.75	June 1	Apr. 26
Ottawa Lt. H. & P.	.15	July 1	May 15
Do., 5% pf.	1.25	July 1	May 15
Ont. Beauty	*.15	July 2	June 20
Do.	z.15	July 2	June 20
Page-Hersey	.31¼	July 1	June 15
Pato Gold	.20	May 31	May 10
Paton Mfg.	1.00	June 15	May 31
Do., 7% pfd.	1.75	June 15	May 31
Pickle Crow	.10	June 29	May 31
Powell River	.30	June 15	May 21
Power Corp.	.30	July 31	June 28
Preston E. Dome	.03	July 15	June 15
Prov. Bank	.12½	June 1	May 15
Placer Dev.	.25	June 14	May 22
Power Corp. 6% p.	1.50	July 15	June 20
Do., 2nd pfd.	.75	July 15	June 20
Que. Pwr.	.25	May 25	Apr. 18
Reg't Knit $1.60 p.	.40	June 1	May 1
Do.	.40	Sept. 1	Aug. 1
Do.	.40	Dec. 2	Nov. 2
Remington Rand	†.35	July 1	June 7
Do.	†1.12½	July 1	June 7
Rolland Pp. 6% p.	§1.75	June 15	June 1
Royal Bank	.20	June 1	Apr. 30
Royalite Oil	.50	June 1	May 14
Scythes & Co.	.19	June 1	May 23
Do., 5% pf.	.31¼	June 1	May 23
Sherritt Gord.	.02	July 6	May 28
Silknit 5% pf.	.50	June 15	May 31
Sec. Can. Int. Inv. 4% pfd.	.10	June 1	May 10
Shawinigan W. & P.	.25	May 25	Apr. 18
Sherwin-Williams	.15	Aug. 1	July 10
Do., 7% pref.	1.75	July 2	June 10
Simpsons 4½% p.	1.12½	June 15	May 15
Sicks' Brew	.40	June 29	May 31
Sigma Mines	.30	July 27	June 28
Silverwoods W.D. 5% pfd.	1.25	July 2	May 31
H. Simon & Sons	.20	June 1	May 4
Do., 5% pfd.	1.25	June 1	May 4
Southern Can. Pr.	.20	Aug. 15	July 19
Do., 6% pfd.	1.50	July 15	June 20
Stand. Chem. pfd.	1.25	June 1	Apr. 30
Steadman	▲.15	July 2	June 20
Stowell Screw A	.75	June 1	May 15
Stuart Oil pfd.	.20	June 1	May 15
Sylvanite G. M.	.03	July 2	Apr. 26
Teck-Hughes	.05	June 1	Apr. 23
Thrift Stores	.20	July 15	June 30
U. Amuse. A & B	.50	May 31	May 15
Upper Canada	.02½	June 24	May 23
United Corp. B	.25	May 30	Apr. 30
United Fuel Inv. 6% pfd.	.75	July 2	June 10
Ventures Ltd.	•.10	July 6	June 12
Viceroy	.07	June 15	June 8
Wabasso Cotton	1.00	July 2	June 15
Waite Amulet	.15	June 10	May 10
Walker-Good.	1.00	June 15	May 10
Do.	.25	June 15	May 10
Wellington Fire	1.75	Aug. 15	Aug. 12
G. Weston 4½% p.	1.12½	June 1	May 15
Westeel	.50	June 15	May 20
Wilsil Ltd.	.25	July 2	June 1
Win. Elec. 5% p.	2.50	June 19	May 15
Wool Comb.	.25	July 10	June 25
Wright-Harg.	.05	July 2	May 23

†N.Y. funds.
‡Extra.
*Initial.
zParticipating divd.
§For period Feb. 28-June 15.
¶For period June 1-Sept. 30.
•Sub. app. F.E.C.B.
▲After 4 for 1 stock split.

DIVIDEND NOTICES

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

TUESDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June, 1946.

By order of the Board.

Walter F. Watkins,
Secretary.

TORONTO, May 15th, 1946.

Wellington Building Corporation Limited

(United Bond Company Limited Loan W-71)

To the Holders of $425,000.00 First Mortgage Gold Bonds of Wellington Building Corporation Limited

TAKE NOTICE that under and by virtue of an order made by the Supreme Court of Ontario, payment in Canadian Funds of six months' interest to January 5th, 1940, together with interest thereon to June 1st, 1946, at the rate of six and one-half percentum per annum, will be made by the undersigned on and after June 1st, 1946, upon presentation of the Bonds for endorsement of interest thereon.

Dated this 20th day of May, 1946.

THE LONDON AND WESTERN TRUSTS COMPANY LIMITED
Receiver and Manager
244 Bay Street Toronto

Catelli Food Products, Limited

Preferred Dividend Notice No. 21

Notice is hereby given that a dividend of Thirty-Eight (38c) cents per share, being at the rate of 5% per annum, has been declared on the $15.00 par value Preferred Stock of the Company, payable May 31st, 1946, to shareholders on record May 22nd, 1946.

By order of the Board.

ROMEO DESJARDINS,
Secretary-Treasurer.

Catelli Food Products, Limited

Common Dividend Notice No. 15

Notice is hereby given that a dividend of Thirty Cents (30c) per share has been declared on the no par value Common Stock of the Company for the period extending from December 1st, 1945, to May 31st, 1946, payable May 31st, 1946, to shareholders on record May 22nd, 1946.

By order of the Board.

ROMEO DESJARDINS,
Secretary-Treasurer.

WESTEEL PRODUCTS LIMITED

DIVIDEND NO. 7

Notice is hereby given that a semi-annual dividend at the rate of fifty (.50c) cents per Share has been declared on the outstanding Capital Stock of the Company, payable in Canadian Funds on the 15th day of June, 1946, to Shareholders of record at the close of business on the 20th day of May, 1946.

By Order of the Board.

P. F. FOWLE,
Secretary.

Toronto, May 14th, 1946.

POWELL RIVER COMPANY LIMITED

NOTICE OF DIVIDEND NO. 6

At a meeting of the Board of Directors held May 10th, 1946, a dividend of thirty cents (30c) per share on the issued ordinary capital stock of this Company was declared payable in Canadian Funds on June 15th, 1946, to shareholders of record at the close of business May 21st, 1946.

Dividend will be paid in respect of the shares specified in any bearer share warrants of the Company upon presentation and delivery of Coupon No. 6 at the Bank of Montreal in Vancouver, Montreal, Toronto, New York, Chicago or San Francisco on or after June 15th, 1946.

By Order of the Board.

JAMES H. LAWSON,
Secretary.

Vancouver, B.C., May 10th, 1946.

SILKNIT LIMITED

Dividend Notice

Notice is hereby given that a dividend of 1¼% (50c) per share has been declared on the 5% Cumulative Preference Shares of $40 Par Value of the Company payable on the 15th day of June, 1946, to Shareholders of Record, Friday, the 31st day of May, 1946.

By the Order of the Board,

H. T. BURGESS,
Secretary.

POWER CORPORATION OF CANADA LIMITED

The Board of Directors has declared this day the following dividends.

6% First Cumulative Preferred Stock

No. 84, quarterly, $1.50 per share.

6% Non-Cumulative Participating Preferred Stock (Par value $50)

No. 76, quarterly, 75c per share. Payable July 15th, 1946, to shareholders of record at the close of business on June 20th, 1946.

L. C. HASKELL,
Secretary.

Montreal, April 26th, 1946.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

The Board of Directors has declared this day the following dividends:

7% Cumulative Preferred Stock

No. 86, quarterly, $1.75 per share, payable July 15th, 1946.

No par value Common Stock

No. 68, quarterly, 15c per share, payable July 25th, 1946, to holders of record at the close of business on June 20th, 1946.

L. C. HASKELL,
Secretary.

Montreal, April 23rd, 1946.

DIVIDEND NOTICES

H. R. Macmillan Export Company Limited

Shareholders are advised that Dividend No. 23 in the amount of five cents per Common share has been declared in respect of the second quarter of 1946, payable June 29th to shareholders of record June 20th. The transfer books of the Company at the office of the transfer agent, The London and Western Trusts Company Limited, 455 Howe Street, Vancouver, B.C., will be closed from June 21st to June 25th both dates inclusive.

G. D. ECCOTT,
Secretary.

Vancouver, B.C., May 16th, 1946.

PICKLE CROW GOLD MINES LIMITED

(No Personal Liability)

NOTICE OF DIVIDEND NO. 34

Notice is hereby given that a dividend of Ten Cents (10c) per share in Canadian funds has been declared, payable on Saturday, June 29th, 1946, to shareholders of the company of record at the close of business on Friday, May 31st, 1946.

By Order of the Board,

G. M. HUYCKE,
Secretary-Treasurer

Toronto, Ont., May 15th, 1946.

PRESTON EAST DOME MINES, LIMITED

(No Personal Liability)

DIVIDEND NO. 27

NOTICE is hereby given that a quarterly dividend of three cents per share has been declared on the issued Capital Stock of the Company, payable in Canadian funds, July 15th, 1946, to shareholders of record at the close of business on the 15th day of June, 1946.

By Order of the Board.

L. I. HALL,
Secretary.

Toronto, May 15th, 1946.

Dominion Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of One Dollar and Twenty-five cents ($1.25) per share, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 30th June, 1946, payable 2nd July, 1946, to shareholders of record 5th June, 1946.

By order of the Board,

L. P. WEBSTER,
Secretary.

Montreal, May 15th, 1946.

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three-Quarters per cent (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 30th June, 1946, payable 15th July, 1946, to shareholders of record 17th June, 1946.

By order of the Board,

L. P. WEBSTER,
Secretary.

Montreal, May 15th, 1946.

Upper Canada Mines Limited

(No Personal Liability)

DIVIDEND NO. 20

Notice is hereby given that an interim dividend of two and one-half cents (2½c) per share has been declared on the outstanding capital stock of the Company, payable in Canadian Funds on June 24th, 1946, to shareholders as of record at close of business May 23rd, 1946.

By Order of the Board.

G. F. SUMMERS,
Secretary-Treasurer.

Toronto, May 14th, 1946.

Sherritt Gordon Mines Limited

DIVIDEND NO. 13

Notice is hereby given that a dividend of 2 cents per share has been declared by the Directors of Sherritt Gordon Mines Limited, payable in Canadian funds on July 6th, 1946, to shareholders of record May 28th, 1946.

By Order of the Board,

A. G. FULTON,
Secretary.

May 14th, 1946.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND OF 13c per share has been declared upon the Common Shares without nominal or par value, of the Company, and cheques will be mailed on the fifteenth day of June next, to shareholders of record at the close of business on the 22nd day of May, 1946.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, May 15th, 1946.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND OF 44c per share, being at the rate of seven per cent (7%) per annum, has been declared upon the $25.00 par value seven per cent (7%) cumulative redeemable preferred shares of the Company, and cheques will be mailed on the fifteenth day of June next, to shareholders of record at the close of business on the 22nd day of May, 1946.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, May 15th, 1946.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.92	5.38
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	5.53	6.15
Can. Invest. Corp.	8.00	9.50
Commonwealth Int.	4.18	4.59
Corporate Inv.	[illegible]	10.20
Trans-Canada (A)	13.20	. .
Do. (B)	...	14.70

Market Comment

All groups except base metals, were narrowly down on the week. Canadian industrials, generally, marked time in the face of continuing labor-industry impasses in the United States. Extraordinary resistance of the New York industrials—particularly the steels—throughout the past depressing week gives some indication of what to expect once the strike "weight" is removed, from the market, some experts say. Several of the big steels actually closed up.

Two of the big Canadian liquors put on a show of their own this week on reported capital changes.

Base metals were higher as forward-looking investors saw higher Canadian metal prices ultimately in face of rising price trends in the United Kingdom and United States. Golds continue to get the "go-by" from most investors. The time is not yet, they say.

Government management of soft coal mines and railways in the United States would not prove particularly bullish, is the concensus of informed market opinion; it would leave all the problems yet to solve and probably produce humerous isolated flare-ups between labor and continuing strikers. On the other hand labor's persuasive power in continuing negotiations would be somewhat lessened, it is thought.

* * *

Barron's The Trader (New York) "Tremendous volume of incoming orders, makes for business optimism in the face of nerve-wracking operating difficulties. Earnings reports, where good, are so outstandingly favorable as to explain financial confidence. Easy money and low bond yields account for reluctance to sell equities, despite lowered profits and dividends. In backing off less than two points in a month from a 1946 high, established only seven weeks after the bottom of the worst break since the start of the long rise from April, 1942, the barometric Dow-Jones industrial-stock index has exhibited an impressive imperviousness to bad news, which makes pertinent the query as to what might be the aftermath of broadly favorable developments."

* * *

Barron's The Dow Theorist (New York) "A fairly substantial move in the market can occur in either direction without producing confirmed penetration either of the high by the industrials or of the recent low by the rails. Unconfirmed penetrations are disregarded under the Dow theory."

FARMERS' TELEPHONE CO. 1945 retained net profit was $4,843 ($4,840 in 1944). Gross revenue was $54,197 ($48,233). Telephones in service at year end totalled 1,467 (1,389 in 1944).

DIVIDEND NOTICES

Macassa Mines, Limited

(No Personal Liability)

DIVIDEND NO. 44

Notice is hereby given that a dividend of Three (3c) Cents per share has been declared on the issued capital stock of this company for the quarter ending June 30th, 1946, and will be paid in Canadian funds on June 15th, to shareholders of record May 22nd, 1946.

By order of the Board.

E. W. Vanstone,
Secretary.

Toronto,
May 17, 1946.

MERCURY MILLS LIMITED

Dividend Notice

Notice is hereby given that a regular quarterly dividend of twenty-five cents has been declared on the paid-up, no-par value common shares of the Company for the quarter ended June 30th, 1946, payable August 1st, 1946, to shareholders of record at the close of business July 15th, 1946.

By Order of the Board.

A. G. HOWEY,
Sec.-Treasurer.

Dated at Hamilton,
May 14th, 1946.

Canadian Silk Products Corporation

Notice is hereby given that a Dividend of Thirty-seven and one-half Cents (37½c) per share has been declared on the Class "A" Common Stock outstanding of the Company payable on the 30th day of June, 1946, to all Shareholders of record on the 1st day of June, 1946.

By Order of the Board.

GORDON G. COOKE,
Secretary.

MacKinnon Structural Steel Co. Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of one and one-quarter per cent. (1¼%) has been declared on the 5% Cumulative Sinking Fund Redeemable Preferred Stock of MacKinnon Stuctural Steel Co. Limited, payable June 15, 1946, to shareholders of record May 31, 1946.

By Order of the Board of Director.

J. G. SCORER,
Secretary.

Montreal, May 17, 1946.

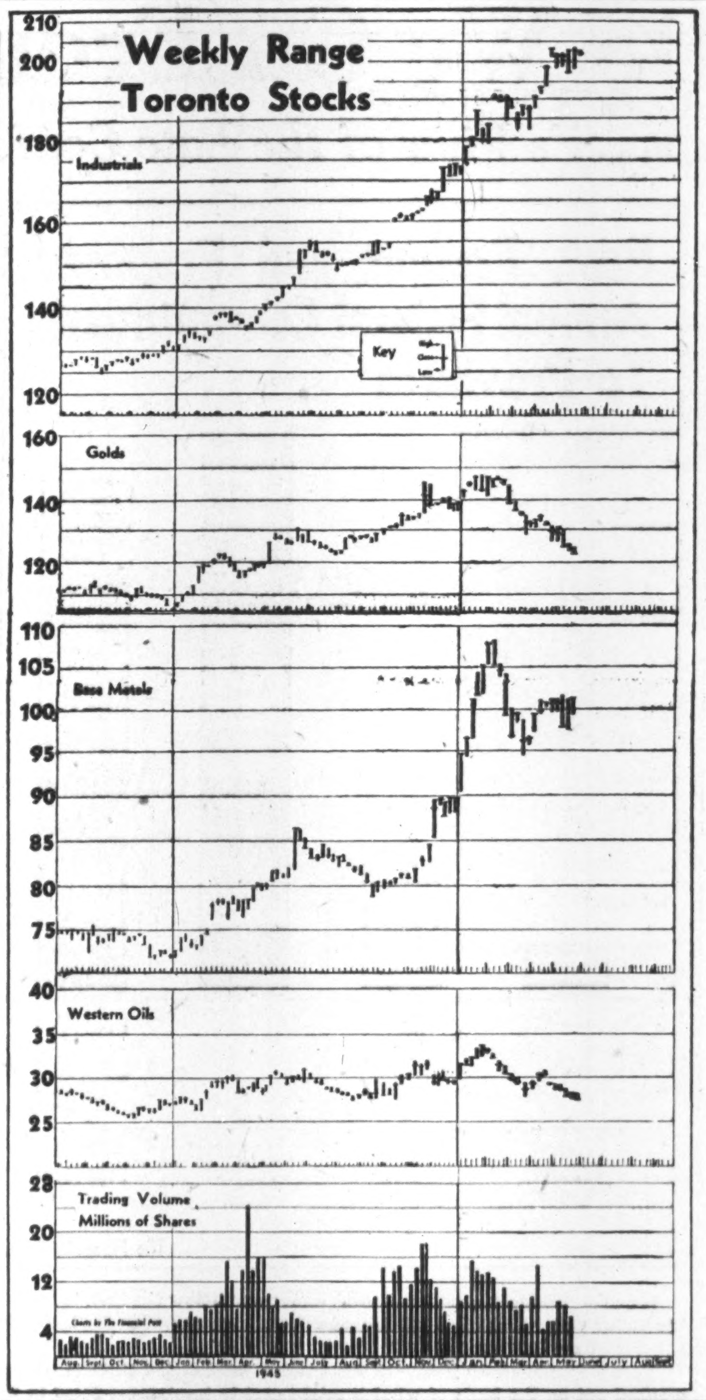
The Mount Royal Hotel Company Limited

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of Thirty Cents (30c) per share has been declared on the No Par Value Shares of the Capital Stock of the Company. This dividend is payable in Canadian Funds June 25th, 1946, to Shareholders of record at the close of business on the 10th day of June, 1946, subject to the approval of the Foreign Exchange Control Board.

CARDY HOTELS

J. A. SHINK,
Secretary.



Tourists Are Everybody's Business

(Continued from page 15)

is their potential value in tourist dollars more than scratched.

The Government's practice of setting aside tremendous areas for national parks "then leaving them to luck or to the railways to provide facilities for the tourist" has been criticized by J. Murray Gibbon, former CPR public relations director, in a brief on postwar tourist travel prepared some time ago.

Mr. Gibbon's Criticism

"Instead of adding to the large areas earmarked for national parks," Mr. Gibbon wrote, "it seems better business for the Government to spend money on the parks it already possesses, and to provide the parks superintendents with adequate staff to cut and maintain trails giving easy access to spectacular country which at present is hard to reach and virtually unknown."

The Gibbon brief recommended a vigorous road building program with an eye to scenic automoblie tourist travel and not to superhighway rapid transit. Specifically urged were a road to Mt. Assiniboine, going south by Marvel Lake and returning north by Simpson Summit; another from Marble Canyon over the Wolverine Plateau; and a road from Field to Yoho Glacier, returning to Emerald Lake.

That's all in the Banff, Kootenay and Yoho National Parks. Elsewhere, in literally every part of Canada roads laid out with an eye to tourist travel are needed. Signs are that the complaints of tourists, voiced through motor clubs and travel information offices in every province are being listened to more attentively today. The Nova Scotia Government, for example, just announced a five-year plan calling for the paving of another 700 miles of highway at a current cost of about $40,000 per mile. Switzerland invested $20 millions in the upkeep of her mountain roads over the 12 years ending 1936.

Health Resorts Popular

The health appeal—crystal clear air at refreshing altitudes plus far-famed mineral springs—is one that has brought Switzerland both revenue and celebrity over the years. Again the contrast between tiny Switzerland's nose for business and Canada's neglect of the wealth in her own yard is striking and painful. There are 250 medicinal springs in Switzerland, of which 23 have been built into immense health resorts or spas. These, pre-war, accommodated 9,600 guests, mostly long-staying, big-paying patients taking the cure. Largest of the lot is Tarasp - Schuls - Vulpera, with facilities for 2,500. Canada had half a dozen mineral springs functioning before the war at such spots as Banff and Harrison Hot Springs, B.C. Again, there is just as big a market in America for this luxury trade, and today there is a great deal more wealth here to buy it than in Switzerland 1946.

So much for Canada's "Alpine area," 50 times richer in natural resources than tiny Switzerland, but infinitely poorer in the development of those resources. A glance across a map of Canada shows immediately that we can not only out-Swiss the Swiss, but can outdo almost any tourist country in the whole world in natural tourist attractions—climate, scenery, hunting and fishing. It's only in the man-made aspects of the business that other, less richly endowed nations (perhaps for that very reason) have more to offer. But without man's work to complement nature with highways, hotels and eating places, by restocking fishing and hunting areas and protecting woodlands, there is little lure for the modern, motorized tourist, accustomed to comfort if not to luxury.

Given adequate additions and improvements to our accommodations, Canada should soon be the envy of Switzerland and the rest of the world in tourist-earned revenue. Switzerland, in the middle of a crowded continent, is a holiday land for only the top income population. Canada, sitting on the rim of a nation of 130 millions, could offer vacations unlimited to virtually every working American.

WINNIPEG ELECTRIC CO. transit officials plan spending over $1.1 millions on construction of a downtown trolley bus loop and other improvements.

We maintain active markets in the following Over-the-Counter issues:

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&
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12 Jordan St. Toronto

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ELMAC MALARTIC MINES
Informational Bulletins on Request
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66 KING ST. W. ADEL. 7477 TORONTO

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The Canadian Fairbanks-Morse
COMPANY LIMITED

We have prepared an analysis of this Company and will gladly forward a copy on request.

Charles King & Co.
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Where Do We Go From Here?

A Taxpayer's View of the Late Conference

By KENNETH R. WILSON

Three weeks ago, another Dominion-provincial parley blew up. One premier calls it "calamitous for Canada;" predicts "deadlock and impotence." Others refuse to believe the discussions are all over; say they are waiting for Messrs. Ilsley or King to reconvene. Most premiers have been busy putting the blame for failure on someone else's doorstep.

Why did the conference fail? Why was there such bitter argument and disagreement in public and private session? Where do we, as Canadians, go from here?

Here then is an attempt to do two things: (1) Review carefully the printed Hansards of the April and earlier parleys; (2) Fill in these important and illuminating documents with personal, "backstage" comment about what really went on and why. For brevity and clarity the results are put down in question-and-answer form.

1. Why did the conference fail?

Here are four major reasons:

Ottawa negotiators were in a "take-it-or-leave-it" mood. The price tag on their "full employment-social security-tax agreement" program was close to $600 millions—annually. To finance it involved these politically unpleasant alternatives: (a) A 3% to 5% social security tax; (b) Reduced income tax relief in the 1946 federal budget; (c) Further federal borrowing.

Five or six of the provinces continued to argue (quite justifiably) over detail and interpretation of various points in the federal offer. They accused Mr. Ilsley of crustiness and "uncompromising rigidity." Most of them did not realize how close they were to losing the big kettle of fish dished up in the federal "offer."

—Failure of Quebec to state at any time the "terms" on which it was willing to "rent" income and corporation tax fields to Ottawa.

—Disclosure that Ontario's "terms" when eventually tagged and priced, were substantially beyond the outside limits of the final federal offer.

Background Comment: The original federal "offer" of last August (amended only in detail in January and April) tried to sell a "theoretical" program for ironing out depressions, streamlining tax and other incentives to private enterprise, and putting a floor under domestic purchasing power by means of social security and similar measures.

Most of the provinces were lukewarm. They feared "centralization;" felt no great urge to accept it, under present conditions of widespread national "prosperity."

After months of discussion the plan was amended (January) in order to sweeten for provincial tastes. The new version (most unfortunately) never saw the light of day. It was kept "secret," reportedly on motion of Premier Drew, although federal ministers had had every intention of making it public.

Had the plan been made public it would have clarified many of the points (poll tax for example) which subsequently aroused heated controversy. Its publication would in all probability have also uncovered growing coolness to its costs and implications on the part of federal ministers themselves. Chief of these was the realization that acceptance of the new terms would mean either less tax relief in 1946 or else a $200 millions social security tax to finance, in part, the federal promises.

2. What was the "poll tax" proposal and controversy?

Back in August, 1945, the original federal terms made tentative reference to "contributory" levies for financing, part of the proposed health insurance and old-age pensions. Also suggested as part of the agreement was "a registration fee" to be paid by all persons 16 years or older, in each province where the health insurance plan was implemented.

The registration fee was to be a test of "eligibility" and, if individual provinces desired, a means of raising some revenue to offset provincial health insurance costs. It was "suggested" to the provinces that the fee might be $5 per person. This was a modification of earlier health insurance proposals put out by Dr. Heagerty in 1943 and suggesting, at that time, a $12 per capita fee. This scheme was subsequently thrown out by provincial health ministers in 1944.

What's clear now is that Ottawa had every intention of imposing a social security tax to raise probably $200 millions of revenue, in the event that agreement had been reached.

Comment: By April, 1946, the political "pulling power" of health insurance, except to western provinces, had been largely dissipated. Ontario, Quebec and Nova Scotia thought it a detriment to the proposals. Ottawa rejuggled and modified various features, but retained it as an integral part of its scheme, partly because of western popularity; partly because it "sweetened" imposition of a social security tax. It's to be noted that in the most recent Ontario "terms," health insurance disappears entirely.

3. What were the Ontario "terms" which caused violent disagreement and dispute?

Ontario's first "offer" was made just before the January meeting of premiers. It admitted responsibility of a "have" province to share its wealth, tax income, etc., with "have-nots" but failed to provide a workable solution as to how this could be achieved. When the conference met in January, the offer was scarcely mentioned; but out of the discussions came an even more important admission from Premier Drew that Ontario would be prepared to "rent" its personal and corporate tax powers to Ottawa for an undisclosed "price."

When the conference reconvened in public session on April 29, Col. Drew named his price, but in algebraic terms. It was not until Thursday afternoon that he disclosed that the missing and previously undisclosed figure "X" in his proposal was $12.

Once this figure was known, the conference adjourned till Friday morning to enable Mr. Ilsley and others to calculate the dollars and cents implications of the Ontario scheme.

On Friday Mr. Ilsley announced that according to his calculations, the Ontario plan, on the basis of $12 for "X" would cost the Dominion in 1947, a minimum of $134 millions more than its own scheme. He said the excess cost might run "double that or more."

Col. Drew at once termed these calculations by Ottawa as "unadulterated nonsense;" but he made no specific attempt to refute the itemized calculations presented by Mr. Ilsley. Very shortly thereafter, Premier Duplessis quit the conference to return to Quebec. Within an hour or two the parley adjourned "sine die" with the promise of Mr. Ilsley that the wide and immediately unbridgable gap between Ontario's and Ottawa's terms be explored, and that the Government would announce its decision "in due course."

Comment: In an adjoining column the federal and Ontario "terms" are for the first time, put down in parallel form.

This analysis (by The Financial Post) discloses:

(1) That health grants and health insurance plans (estimated in Ottawa's plan to cost $165 millions annually), are entirely omitted from Ontario's scheme.

(2) That without any provision for health insurance, the Ontario scheme would cost either $50 millions less or $50 millions more than Ottawa's proposals; irrespective of a much larger obligation for unemployed employables which Ontario asked Ottawa to assume.

(The variance of $100 millions in the Ontario costs springs from whether or not old-age pensions at ages 65 to 69 are to be given without means test. The Drew plan calls for Ottawa to assume full cost of old-age and blind pensions. If there were a means test, Ottawa says this would cost $18 millions more than its own more limited offer. If no means test were imposed and pensions at $30 were free to all persons 65 or over, Ottawa calculates this would cost nearly an extra $100 millions.)

3. Also to be noted is one further important fact: the Drew proposals, in the case of old-age pensions gave no specific plan as to ages, benefits, etc. It simply called on Ottawa to assume full cost of old-age pensions for the future.

4. What about Succession Duties?

Under the wartime agreements, succession duties are shared by provinces and the Dominion. Both are free to impose levies in this field.

In August Ottawa asked for exclusive jurisdiction in that field. This demand was bitterly challenged, but in January the Dominion held to its point. By the end of the January meeting, this appeared the main remaining bone of contention, with Ottawa yielding some ground to the point of seeking a compromise.

The compromise was announced in April. Any province wishing to continue to levy succession duties could do so, and amounts payable by taxpayers in those provinces would be credits against Dominion duties. Total annual grants to each province would be reduced by the amount of such credits.

The April conference found little time or inclination to argue about this matter. Ontario (at least) insisted that this area be solely a provincial field. Whether it remains a barrier to compromise remains to be seen.

Comment: Dollar value of succession duty collections to Ottawa has not, in the past been very large. Estimated federal collections from this source in the past year are just over $20 millions.

But Ottawa estimated it collected as much as this or more, in income taxes which would otherwise have been evaded; it considers a toehold in this field absolutely essential to proper collection and administration of personal and other income taxes. It also argues that federal direction is needed to iron out capital inequalities, etc.

Conversely, Mr. Drew is reported as saying he wants control of this tax power to permit lowering of rates thus attracting capital and wealth to his province.

5. What other taxes were in controversy?

Besides succession duties, many provinces (led by Angus Macdonald of Nova Scotia) fought bitterly against Ottawa wanting to keep gasoline, amusement, pari-mutuel, electricity, security transfer taxes.

About $50 millions is the estimated "value" to Ottawa in 1947, of these tax fields.

Even in its revised January proposals, the best Ottawa would do was to promise not to increase its wartime levies in these fields. Finally, and most reluctantly, Ottawa agreed (April 29) to withdraw from these fields provided it would be relieved of a corresponding quid pro quo by way of "adequate financial equivalent."

Comment: Reluctance of Ottawa to withdraw from these fields appeared to many observers the weakest part of the entire federal bargaining position. It left Ottawa open to the accusation of continuing "double taxation" in a number of fields; aggravated the feeling that provinces were being stripped of their taxing authority.

Chief federal argument was that it needed the money. What should have been done, it was argued, was to have scaled down the federal "offer" at a much earlier date and quickly conceded this point which irked most provinces and bitterly antagonized others.

Where do we go from here?

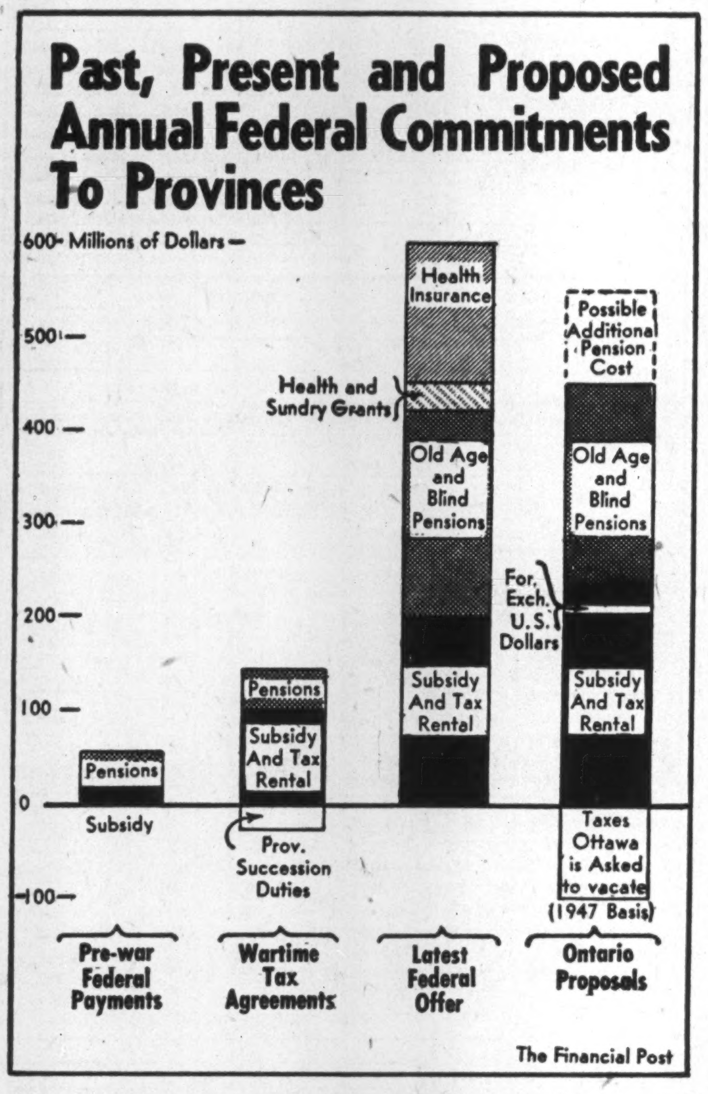
Clearly the next and all-important landmark in Dominion-provincial relations is the forthcoming federal budget. In it, Mr. Ilsley is expected to give his answer to the provinces; an answer promised when the conference broke up on May 3.

Most probable "line" which Ottawa will take will be the almost complete abandonment (for the present) of the vast social security program included in the earlier plans.

Main point of present argument at Ottawa seems to be the extent to which it is possible to bring down substantial income tax concessions to personal and corporate taxpayers and leave the door open to provinces to vacate this field "for a consideration."

Comment: Ottawa is already committed by reason of the expiring wartime tax agreements to cut corporation income taxes from 40% to 30% in 1947. Presumably, unless some offer is made and accepted by individual provinces, many will take up this 10% "slack" by provincial imposts of their own.

Also involved is the whole question of tax collection, which as matters now stand seems doomed to revert to the provinces once more.



It needs "bridge-score" accounting, above and below the line, to compare the dollar value of the two main propositions around which the Dominion-provincial conference foundered three weeks ago.

Here is an attempt to show the most recent federal and Ontario schemes, worked out on the basis of what it might cost to implement them in 1947. To the left are the pre-war and wartime commitments of the federal government in this provincial field.

Central feature of both plans was a per capita subsidy and tax rental, payable by Ottawa to the provinces in return for sole occupancy of personal and corporate income tax fields. Ottawa bought out this territory in 1942 for about $100 millions a year. At that time, succession duties, (below the line in pillar Number 2) were left as a joint federal and provincial field.

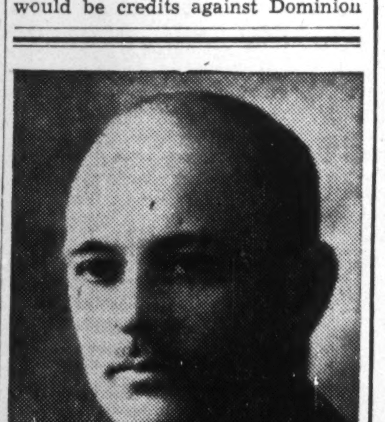
Now Ottawa wants exclusive rights in succession duty as well as income tax, continuing rights in amusement, gasoline and other provincial fields. It was willing (as shown) to raise its wartime ante by about 60%; throw in as well, new commitments to finance old age and blind pensions, health grants and health insurance. The grand total of all these commitments, if operative in 1947, would have totalled $600 millions.

At far right, is the alternative Ontario proposal, unveiled in final detail by Premier Drew just before the April conference collapsed. It drops health insurance and health grants entirely (thus saving a cool $165 millions); adds a $7 millions bill for providing foreign exchange at par to meet provincial obligations; calls for complete assumption by Ottawa of all old age pension costs.

It is this latter "proposition" which causes the "dashed" lines at top of the right-hand pillar. Applying the Ontario formula to the federal old age pension scheme, would raise costs to Ottawa by an estimated $17 millions; if there were a means test from 65 to 70; by $115 millions if there were no means test.

To make the Ontario scheme completely comparable, allowance must be made of $102 millions of taxes in field which Ottawa wants to share or hang on to, and which Ontario says Ottawa must vacate. That is the "below-line" item in the right-hand column. It comprises, according to Ottawa estimates, the following revenue which would be sacrificed in 1947 under the Ontario plan: succession duties, $50 millions; gasoline tax, $30 millions; amusement tax, $14; millions; pari-mutuels, $2 millions; security transfer taxes, $1 millions; electricity tax, $5 millions.

In its proposals, Ottawa agreed to share or vacate some or all of these taxes but in each case for a "consideration."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KAYRAND MINING & DEVELOPMENT CO. report that May option installment on 15,000 shares at 35 cents has not been exercised and balance of agreement with L. W. Burt has been terminated for default.

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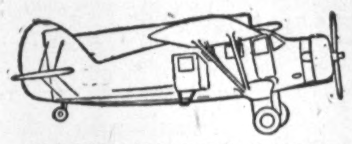
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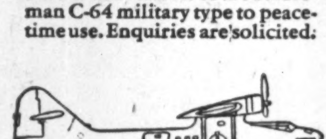
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The addition of the multi-purpose, single engine NORSEMAN, formerly manufactured by Noorduyn Aviation Limited, marks another step in the development of Canadian Car's Aircraft Division. Together with the new Burnelli type CBY-3 twin engine cargo transport plane, the prototype of which is undergoing flight trials, this company will be equipped to serve main and feeder airlines in both passenger and cargo operation.

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A report by Mr. D. K. Burke, a staff geologist of Brewis & White, recommends the property as an interesting RISK CAPITAL venture by reason of:

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Says Yellowknife Suit To Follow Adjournment

When the chairman of Yellowknife Gold Mines annual meeting disallowed ballots for 101,507 shares held by the opposition who planned to elect a new board of directors, he precipitated litigation in the continuing battle for management control, it is reported.

J. W. Pickup, representing opposition forces, tells The Financial Post that legal action is to be taken.

On a first ballot—to adjourn—because the management, who sought the adjournment contended the notice of the special meeting they had sent out did not set out properly the proposal of settlement with J. J. Gray, a total 874,629 shares were reported in favor of adjournment and 803,656 shares were against.

Proxies totalling the further 101,570 shares for continuing the meeting were disputed, one scrutineer claiming they were satisfactory, the other that they were not. The chairman refused to recognize two ballots—one of Lake & Co. for 47,000 shares and another of Roytor & Co. for 25,000 shares. The chairman supported the view that it was not known if the proxies were signed by the properly authorized persons in these firms. Although J. B. Streit, who was present at the meeting and opposed adjournment, reported that he was the owner of the Lake & Co. stock and J. J. Gray was reported to own the Roytor & Co., the chairman of the meeting ruled that they were not valid and declared the meeting adjourned.

Had the ballots been allowed, the opposition, headed by J. Bradley Streit, would have won the vote with 905,226 shares and the meeting would have continued.

Before the vote on adjournment, ability of Yellowknife Gold Mines to put up the $210,000 for return of 700,000 Yellowknife shares from B.E.A.R. to its treasury was questioned by the meeting. J. Bradley Streit stated that he would be willing personally to lend the $210,000, without interest for the first six months, to provide time for a pro rata offering of treasury shares to shareholders at 75 cents a share. Counsel for the management suggested that such an offering might mean selling out of shareholders. This was countered with the statement that the proposed offering would be better than the previous sale to B.E.A.R. of 700,000 shares at 30 cents a share.

Know Result Soon Big Turner Blast

A definite answer on results of Oil Well Reflow Ltd.'s record-size (5,000 quart) Nitroglycerine blast, staged at the depleted Westflank No. 2 well on Feb. 4, is now expected in the very near future.

In order to obtain a definite answer of results, a number of Turner Valley operators joined with Oil Well Reflow to finance installation of rotary equipment and cleaning out of the hole. By Wednesday, contractor Union Drilling Co. had got by the casing split and had cleaned hole to 6,510 ft. By Thursday drilling bit had been landed at 6,510 ft. and crew was ready to drill out bridge. The 6,958 ft. hole may be reopened and results of the blast known in the next few days.

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SCOTT CHIBOUGAMAU MINES purchased 70 additional claims in 1945 increasing its holdings to seven groups of claims, approx., 4,000 acres in Chibougamau area, Que. Plans have been made to map and prospect the groups this season. Drilling was carried out on Gauthier property with assays uniformly low, ranging from $1.40 down to a trace. Some 3,743 ft. of drilling was completed on Louvicourt property with one hole returning 0.02 oz. a ton. Current assets were $4,384 and current liabilities totalled $290, as at Dec. 31.

NIB YELLOWKNIFE MINES has two prospecting parties in the field, both covering unexplored ground in the Yellowknife district.

KENVILLE GOLD MINES has received payment covering 200,000 shares at 25 cents. Issued capital —2,825,605 shares.

OIL PRODUCTION

Seven Oil Concerns Plan 4-well Princess Outlay

From Our Own Correspondent

CALGARY.—Seven oil concerns with interests in the Princess area of the southern Alberta plains have joined forces in a four-well oil and gas exploration program spread over four townships.

The seven will jointly operate through the South Princess Syndicate holding a total of 5,040 acres of oil and gas leases checkerboarded over Twp. 19 Rges. 11 & 12w4 and Twps. 17 & 18 Rge. 11w4. All rights are on C.P.R. lands, subject only to 12½% royalty to that concern.

Participants, and their percentage interest in the Syndicate are: The California-Standard Co., 46%; Pacific Petroleums, 17%; Princess Petroleums, 10%; Globe Oil Co., 9%; Empire Petroleums, 8%; Homestead Oil & Gas, 5%; and Pacalta Oils Co., 5%.

California-Standard, in recent years the No. 1 operator on the south Alberta plains and now the No. 1 oil producer in Alberta outside of Turner Valley, will be in charge of all operations of the Syndicate. Drilling contractor is Can-Tex Drilling Co.

Three wells will test the Sunburst-Madison sections, and one will test all horizons down to the Devonian dolomite. All locations will be selected by the Cal-Standard geological staff, on seismograph and geological data accumulated and being accumulated by that company.

Initial well, South Princess Syndicate No. 1, will be drilled immediately in the SE 10 acres of L.S.D. 9 28-19-12w4. It will be a Sunburst-Madison test. Site is a mile west and half a mile north of the Empire-Pacific Nos. 1 and 2 wells, Chert-Madison oil discoveries completed last year. It is a mile south and three quarters of a mile west of the National Empire No. 1, Sunburst sand gas and oil discovery completed last fall. It is about five miles south of Cal-Standard Devonian dolomite oil wells.

• • •

West Taber Well Rates High

Standard Oil of B.C. and Nassau Explorations' Taber-Province No. 65-15A, SW L.S.D. 11 15-9-17w4, sensational late-April completion in the West Taber oil pool, has been confirmed as the best Alberta oilwell outside the Turner Valley field. The well has been placed on steady production through a 12/64 in. choke, following experiments during the first half of May with chokes ranging from 10/64 to 16/64 in. Production against substantial back pressure through the 12/64-in. orifice, is in the 160-170 bbls. per day range. Gas-oil ratio is extremely low, well under 500 cu. ft. per bbl. The output is clean crude oil, of 23.7 degrees API gravity. Oil production during the first 10 days of May, during the experimental operation and despite considerable shutdown time, totalled 1,693 bbls., an average of 169.3 bbls. per day. Recovery rate ranged from 250 bbls. daily through 16/64-in. choke to about 120 bbls. daily through 10/64-in. choke.

• • •

Drill at Baxter Lake

Baxter Lake Oils, a new Alberta company privately financed, has staked its initial well site in the Baxter Lake area on the central Alberta plains, and is expected to get drills under way about June 10. The well, Baxter Lake Oils No. 1, is in the SW 10 acres of L.S.D. 12 20-46-5w4, about three miles northeast of the Baxter Lake, and 13 miles northeast of Wainwright oil field.

Site was selected by Calgary geologist J. S. Irwin. Union Drilling Co. contractor, will start moving light rotary equipment to the site shortly. Principal objective of the wildcat is the "Wainwright sand" of the Lower Cretaceous. The well is on 30,360 acres of Crown and C.P.R. rights acquired in Twp. 45 & 46 Rge. 5w4 and Twp. 46 Rge 6w4 in March.

KENRIDGE RED LAKE MINES reports appointment of R. A. Shatford as resident geologist. Company is purchasing its own drilling equipment and work is expected to start in June on claims in Balmer twp., Red Lake area, Ont.

STARLIGHT MINES has started diamond drilling its No. 2 property in Shebandowan Lake area, Ont., under direction of Dr. J. F. Wright. Resumed drilling on No. 1 property, adjoining Bevcourt and Norcourt properties, being considered.

REGCOURT GOLD MINES has received payment covering May 15 installment of $25,000 comprising part of underwriting on 400,000 shares at 35 cents a share. Issued capital, 2,091,428 shares.

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And the bright light of freedom and prosperity which they saw, shines today for all of us with an even greater brilliance, beckoning us to the Canada of Tomorrow . . . the Canada that will be more surely and swiftly ours if we give expression to our continuing faith by our purchase and holding of Victory Bonds.

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Allied Forces Exemption Act, 1946

WARNING

THE operation of the Allied Forces Exemption Act, 1939, is terminated. The Allied Forces Exemption Act, 1946, is in effect. It provides that—

Where a member of the Forces, entitled to protection under the 1939 Act:

(1) Was discharged before commencement of the 1946 Act (April 11th, 1946) his claim or lease shall remain in good standing until its first anniversary (record) date after the 31st day of May, 1946.

IMPORTANT—Example: If June 1st is the anniversary (record) date of a claim or date of issue of a placer-mining lease, the member must take out a free miner's certificate valid from June 1st, 1946, and work must be performed and recorded on or before June 1st, 1947.

(2) Is discharged after April 11th, 1946, his claim or lease shall remain in good standing until its anniversary (record) date of claim or date of issue of placer-mining lease first occurring after the thirty-first day of May, 1946, or the date of his discharge, whichever date is the later.

(3) Transfers to the Permanent Forces of Canada, his claim or lease shall remain in good standing until its anniversary (record) date of claim or date of issue of placer-mining lease first occurring after the thirty-first day of May, 1946, or the date of his discharge, whichever date is the later.

(2) and (3) mean, for example:

If the anniversary date is July 1st, 1946, and the date of discharge is June 10th, 1946, the member must take out a free miner's certificate valid from July 1st, 1946, and work must be performed and recorded on or before July 1st, 1947;

If the anniversary date is June 10th, 1946, and the date of discharge or transfer is July 1st, 1946, the member is not required to take out a free miner's certificate until June 10th, 1947, and work need not be performed and recorded until on or before June 10th, 1948;

If the anniversary date is July 1st, 1946, and the date of discharge or transfer is also July 1st, 1946, then the member need not take out a free miner's certificate until July 1st, 1947, and work need not be performed and recorded until on or before July 1st, 1948.

IMPORTANT—Notification must be forwarded to the office of the Chief Gold Commissioner, Victoria, B.C., on or before the 31st day of December, 1946, of the member's desire to obtain the protection of the 1946 Act, including:

(a) Particulars of mineral claim, placer claim, or placer-mining lease, or of interests in respect of which he claims protection, and;

(b) Sufficient evidence of his qualification for protection. (Certificate from Commanding Officer giving date of enlistment.) These members, discharged or still in the Forces, who have already provided a certificate of enlistment are not required to furnish additional proof but must comply with the requirements of (a).

WARNING—Failure of a member to forward this notice means forfeiture of title to his mineral or placer claim, or placer-mining lease, as the case may be, from the anniversary date preceding the 31st day of December, 1946.

Any member of the Forces in doubt regarding the status of his claim or free miners' certificate should immediately write to the office of the Chief Gold Commissioner, Victoria, B.C., or to the nearest Gold Commissioner or Mining Recorder.

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VICTORIA, B.C., CANADA

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Minister of Mines.

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Chesterville Mine Results Improve More and Better Ore Now in Prospect

With improved ore results coming in with depth and a distinct improvement in grade and size noted for D and J ore bodies, Chesterville Larder Lake Mining Co. can also anticipate an improvement in grade and tonnage treated, Dr. W. F. James, consulting engineer, informed the company's annual meeting.

He expressed the hope that more money can be earned than in any time past. Larry Postle, former mine manager, who is now managing operations at East Sullivan, said that for the first time in the company's history there were two good ore bodies which extended to depth within the confines of the company's ground.

New Ore in Carbonates

It was explained to the meeting that in the upper horizons of the mine, practically all the ore had been won to the south of the Kerr-Addison fault in a section immediately adjacent to Kerr-Addison which adjoins to the west. The D and J ore bodies lie in the carbonates which adjoin the Kerr-Addison fault to the north and give indications of raking eastward further into Chesterville ground as depth is reached. Thus while ore bodies south of the fault have raked westward into Kerr-Addison, the ones north of the fault have the opposite rake away from Kerr-Addison.

Carbonate Area Expanding

The area of favorable carbonates—Kerr-Addison secures a large part of its ore in carbonates — shows a progressive increase in the Chesterville property with depth. The Kerr fault stands vertical while the contact of the carbonates and sediments to the north is north dipping so that the width of the carbonates is becoming progressively greater with depth.

Like the ore bodies north of the Kerr fault, the carbonate zone is also raking east and coming more and more into the company's property with depth. At the 13th level, the carbonate zone has a projected width of 500 ft., which is many times its width in the upper regions of the mine.

The J ore body in which recent high-grade disclosures have been secured does not make ore at the 9th level, but at the 10th level showed an ore length of about 120 ft. with a width of 10 to 12 ft. At the 11th level, the ore length so far has been 225 ft. and assays have run all the way from trace to 80 oz. It is thought this section should return a millfeed of around 0.4 oz. gold per ton which is far above the previous mine average grade. Continuation of this ore body has been established at the 12th level, but its extent at this horizon has not yet been determined.

May Go to 900 Tons

Tonnage milled has been gradually lifted from 400 to over 600 tons daily, and with a new motor to speed up hoisting being delivered, it is anticipated that tonnage will soon be back to the previous capacity of 700 tons daily.

Due to the fact that the carbonate ore is free milling and not refractory like ore south of the Kerr fault, it is believed that 900 tons of ore daily can be treated when milling of ore from south of the Kerr fault is completed.

Recent results secured in the D ore body indicate that this large tonnage deposit will have a fairly good grade.

Driving is now being done on three new bottom levels following completion of shaft sinking and these drives are now out over 150 ft.

It is hoped that these drives will be favorable zones later in the year.

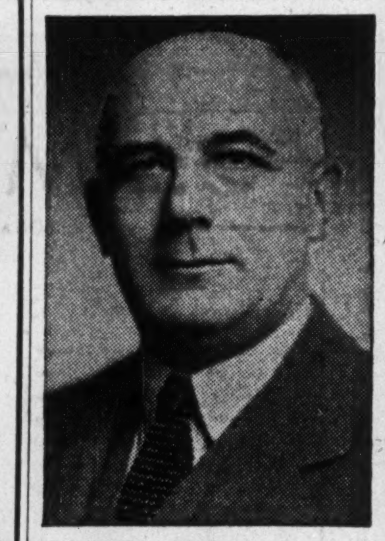
In the first four months of 1946, an operating profit of $92,628 was realized including $23,440 for April. After allowing $87,600 for depreciation at the rate of 15% and writing off preproduction expense at the rate of 15% per annum, a net profit of $5,028 was reported for the first four months.

Capital expenditures during that period including $25,724 spent on the shaft, totalled $68,764.

As the company can set off previous losses against future profits, it is hoped that working capital position can be built up fairly rapidly as no large scale capital expenditures are in prospect. When working capital reaches $500,000 to $600,000 consideration can be given to dividends.

While Larry Postle has resigned as mine manager, he is continuing in a consulting capacity. He is being succeeded as mine manager by Mr. Calder who has been assistant to Mr. Postle for the past eight years.

The name of the company is to be shortened to Chesterville Mines Ltd.



FRANK C. O'BRIEN

has been elected President of Burlington Steel Co., with which he has been associated since 1919.

35-Mile Road To Aid Mines

Porcupine-Beattie Break To Be Serviced by New Ontario Road

That stretch of the famous Porcupine-Beattie break lying east of Matheson and extending over to the Ontario-Quebec boundary—generally regarded as one of the "hottest" areas for finding new mines in Ontario—is to be opened up by a new 35-mile road, Hon. George H. Doucett, Ontario Minister of Highways, announced this week.

Air surveys of the proposed road have already been completed and ground surveys will start at once. Tenders will be called for construction, with a view to completing the first section this season.

At present the area is partly and inadequately served by a trail running east from Matheson for 8½ miles, passable only under favorable conditions. This section is to be brought to a reasonable standard and an additional 26½ miles of road is to be constructed.

The Dept. of Mines reports that at least 20 diamond drills will be operating in the field this season. The fine potentialities of the territory, however, cannot be fully estimated or developed until better transportation facilities are provided. Included in the area to be serviced are the townships of Hislop, Guibord, Michaud, Garrison, Harker and Holloway.

Sladen Opens Zone to North

Three Short Ore Bodies Grade Better Than a Half Ounce Gold

Three lenticular ore bodies with lengths of 30 to 50 ft. and apparently grading better than a half ounce gold over drift width have been opened by Sladen Malartic Mines in its new diorite dyke structure now being tested at the 500-ft. horizon 2,200 ft. north of No. 1 shaft, The Financial Post is informed.

The most easterly of these lenses—which are contained in the east drift from the north crosscut—has a length of 50 ft. running 0.70 oz. gold over 5 ft. The east face which is 200 ft. from the east boundary has passed out of the ore structure; drifting to the west has not opened up definite ore structure.

The drifts which are being driven on line are to be advanced to the east and west boundaries, an overall distance of approximately 1,500 ft. There will be horizontal and angled drilling from the drifts through the shear zone.

Drifting to the west on the 150-ft. level from No. 2 shaft is being continued to open up ore structure that has been indicated by surface drilling over a length of 600 ft. The structure is indicated as occurring to the 300-ft. horizon with grade above mine average.

In the first quarter of this year 56,282 tons of ore were milled—an average of 625 tons daily—with a recovery of $186,464 or $3.31 a ton. Operating costs averaged $3,26 a ton and operating profit for the period was $2,718.

MINING CONCENTRATES

NARROW LAKE GOLD MINES reports that diamond drilling crew has arrived at property with work to start on an additional 2,000 ft. of drilling. Three holes are expected to be drilled to depths of 700 ft. each in order to explore at depth values obtained at shallow depths.

• • •

JACARANDA GOLD MINES has been formed to acquire assets of Jacaranda Gold Mines Syndicate. Property comprises 14 claims in Matachewan district, Ont., where consulting engineer has recommended a series of drill holes.

• • •

PORCUPINE PENINSULAR GOLD MINES has received payment covering May 8 installment on 150,000 shares at 25 cents. Issued capital—2.5 million shares.

• • •

PANDORA CADILLAC GOLD MINES reports deepening of No. 3 shaft completed to 850 ft. Crosscutting north to the ore zone is expected to start immediately on new levels at 525 and 825 ft.

• • •

RICENOR GOLD MINES says that line cutting, road building and clearing are being rapidly pressed, with objective of preparing property for diamond drilling.

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ALTA MINES has been diamond drilling an anomaly indicated by a recent magnetometer survey. Drill holes 3, 7, 11 and 12 are reported to have proved existence of a heavily mineralized shear zone, particularly in hole 12 where a 20-ft. width has been obtained. Only low values have been obtained.

MEN OF VISION

Calvert · 1622 Strathcona · 1885

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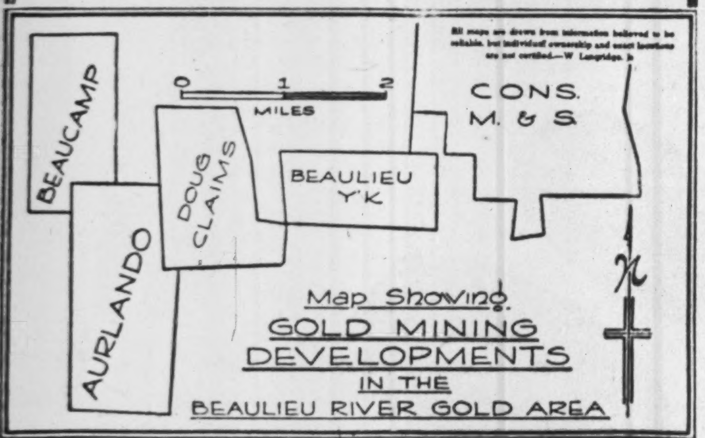
BEAUCAMP
AURLANDO
DOUG CLAIMS
BEAULIEU Y'K
CONS. M. & S.
0 1 2 MILES
All maps are drawn from information believed to be reliable, but individual ownership and exact locations are not certified.—W. Langridge, Jr.
Map Showing GOLD MINING DEVELOPMENTS IN THE BEAULIEU RIVER GOLD AREA

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NEWNORTH GOLD MINES shares will be called for trading on the Toronto Stock Exchange May 27. Surface trenching has started on its Courageous Lake property.

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F. P. LLOYD - Toronto

NOW DRILLING

A diamond drilling contract for 5000 feet has been awarded and drilling has commenced.

A geophysical survey recently completed on the VALRITA property has indicated three anomalies, one of which extends for a length of over 5500 feet, this is vitally important geologically. The success of many mining properties has been due to geophysical surveys. Present developments at Quemont and East Sullivan are outstanding examples of these methods.

Grab samples in this area assayed as high as $35.00 per ton.

The opinion of several mining engineers who are familiar with the geology of this area is that the pyrrhotite contact is liable to be flanked by a zone of gold bearing pyeritic mineralization.

We recommend the immediate purchase of these shares in respect of which on all transactions we act as principals.

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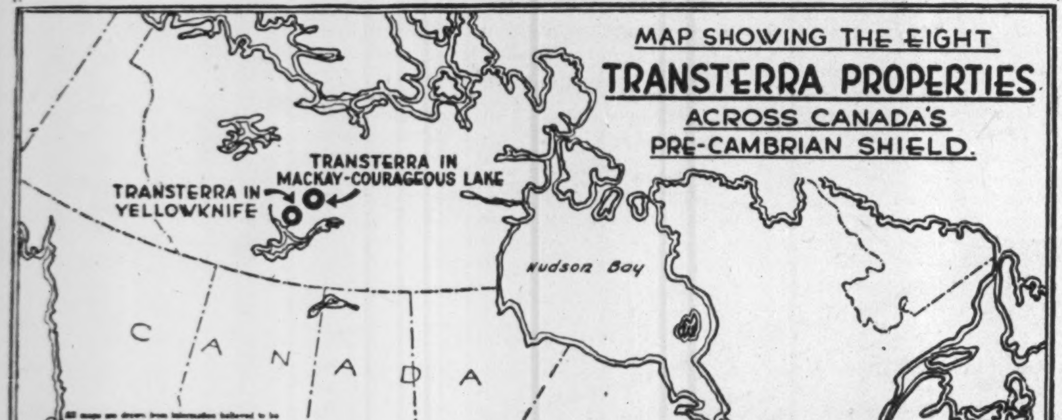
MAP SHOWING THE EIGHT TRANSTERRA PROPERTIES ACROSS CANADA'S PRE-CAMBRIAN SHIELD.
TRANSTERRA IN MACKAY-COURAGEOUS LAKE
TRANSTERRA IN YELLOWKNIFE
Hudson Bay
CANADA
USA
TRANSTERRA IN RED LAKE
TRANSTERRA IN PRIVAT
TRANSTERRA IN FIGUERY
TRANSTERRA IN PORCUPINE
TRANSTERRA IN KIRKLAND LAKE
TRANSTERRA IN MIDLOTHIAN
All maps are drawn from information believed to be reliable, but individual ownership and exact locations are not certified.—W. Langridge, Jr.

ONE SPECULATION IN
EIGHT MAJOR GOLD AREAS
BOUGHT — SOLD — QUOTED
PICARD & FLEMING—100 ADELAIDE W., TORONTO—ADELAIDE 5621

Sherritt Gets a New Nickel Deposit Underlying Original Area Discovery

Assay results from the first drill cores to be assayed by Sherritt Gordon Mines from its Lynn Lake nickel-copper property since break-up have yielded some better than average nickel-copper values on the A or original anomaly and have indicated an entirely new ore lens underlying the A lens, it is stated.

The new lens was indicated in drill hole No. 48 put down a short distance west of A anomaly. This hole from 343.5 to 439 ft.—a core length of nearly 100 ft.—averaged 2.51% nickel and 1.18% copper. Some lower grade material both above and below this intersection remains to be assayed.

Three further holes, on the original A anomaly, returned nickel values as high as 3.74%, and two holes put down on a small anomaly 1,000 ft. southwest of A anomaly also returned values in nickel and copper.

Hole No. 36, on the original anomaly, returned 111.3 ft. of core starting at 10 ft. which averaged 2.43% nickel and 0.87% copper. Hole No. 40 from 15 to 67.3 ft. averaged 1.59% nickel and 0.60% copper. Hole 56, third hole on the A anomaly, gave 3.74% nickel and 0.72% copper from 35 to 44 ft.

Hole 43 was the better of the two holes on the small anomaly. It gave 116.7 ft. of core, starting at 27.3 ft., which averaged 1.34% nickel and 0.78% copper.

Hole 39, the second hole, from 15 to 36.5 ft. returned 0.95% nickel and 0.33% copper.

Results on further holes will be available when the assay laboratory gets caught up on the accumulated surplus.

Nearly Mile Long

President Eldon L. Brown in the annual report of Sherritt Gordon Mines sumarizes the situation (to Mar. 28) as follows:

"The work done to date has proved the existence of a nickel-copper bearing zone for a length of 4,500 ft. with both ends still open. A block of 180 claims has been staked which provides a minimum protection for extensions of 1½ miles in any direction. This zone appears to be all more or less well mineralized with nickel and copper-bearing minerals and in it we may expect to find lens-like concentrations of higher grade material which will make ore. Only a very small portion of this zone has been investigated to date, with very encouraging results, and it will take many months of diamond drilling to get anything like a clear picture of the possibilities of the deposit. The physical characteristics of this ore are such that provided a sufficient tonnage can be developed, it should be possible to produce metal economically from material with a lower nickel content than the nickel ores currently mined elsewhere.

" . . . This new nickel-copper prospect is the first prospect in the area that has possibilities of develping sufficient tonnage to warrant the provision of these facilities."

QuemontOfferingRights At $15 on 1-for-5 Basis

To provide the company with $5.25 millions for its production plans which embrace a flotation-cyanide milling plant of approximately 2,000 tons daily capacity, Quemont Mining Corp. is offering rights to shareholders on the basis of one share at $15 for each five shares held at present.

The offering of rights, which is being made to shareholders of record June 4, 1946, is being underwritten by Mining Corp. of Canada. The rights will expire at 5 p.m., June 25, 1946, and assignable subscription warrants for rights will be traded on the Toronto stock exchange.

On completion of this financing, there will be 2,102,168 shares issued.

The offering of rights is not being made to the United States shareholders as the issue is not registered under the United States "Securities Act of 1943" but United States shareholders are at liberty to sell their subscription warrants on the Canadian market, it is reported.

While insufficient work has been done to accurately calculate ore reserves, from available data, the company's engineers estimate that diamond drilling indicates over six million tons of ore averaging 0.181 oz. gold and 1.58% copper. Assays for silver and zinc were not run regularly for all samples in the early stages of drilling, but they were run systematically for the majority of the drill holes and an average of one ounce silver and 3.2% zinc is indicated. This indicated tonnage is sufficient for a plant of 2,000 tons rated daily capacity for a period of about 8½ years. President J. H. C. Waite expresses the opinion that "there is no question but what we will find more ore as the prospecting possibilities for additional ore bodies are excellent."

Select Shaft Location

It has been decided to sink a shaft on the point adjacent to the west ore area, and this shaft will be more than adequate for initial production of 2,000 tons daily.

The presently known ore area covers 1,800 ft. east and west, and 900 ft. north and south of the west end, which is the widest point indicated by the drilling to date. Over this area, the ore has an average thickness of about 78 ft. In general, the ore becomes thinner going north and attains its greatest thickness immediately north of the Horne Creek fault zone.

A large program of development has been laid out for the 200 and 900-ft. horizons both for exploration and preparation of the mine for production.

At the end of March, when ice conditions forced the drills off Osisko Lake, a total of over 6,000 ft. had been drilled.

Francoeur Cuts $10 Over 12 ft.

Recent diamond drilling from the surface at Francoeur Gold Mines property has given indications of what may be an important new ore body, The Financial Post is informed.

Drill hole 197 returned values of 0.265 oz. ($10.20) for a core length of 12 ft. The intersection is in agglomerate, 200 ft. north of the main fault zone at the 500-ft. horizon.

Drill hole 196, intersected the same ore zone giving an intersection of 0.23 oz. ($8.85) across 7.5 ft. Further drilling will be done to test this zone from the 4th level.

Recent work at the west end of No. 8 zone on the 2nd level has located new ore by test holing, running 0.31 oz. ($11.93) over a width of 6.0 ft. A 4½-ft. slash in the ore ran 0.53 oz. ($20.40), it is stated.

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MINING CONCENTRATES

ASHER GOLD MINES plans a drilling program on claims in Beaulieu river area, Yellowknife district, N.W.T.

* * *

BAND-ORE GOLD MINES has completed approx. 16,000 ft. of diamond drilling on its property in Shebandowan Lake area, Ont., in past two years. Results have warranted immediate underground work, Hamlin B. Hatch, consulting engineer, states.

* * *

CENTREMAQUE GOLD MINES says magnetic and electrical surveys are expected to be completed next month. Drill hole 12-A was completed at 943 ft. and 13-A at 910 ft. Both borings were in the extension of East Sullivan ore structure with former yielding a 25-ft. section of altered and mineralized feldspar porphyry which carried low-gold values. The latter showed sections of porphyry dike to be well altered, mineralized and gold bearing. Best section assayed $1.50 across 5 ft.

* * *

CANADIAN MALARTIC GOLD MINES reports operating profit of $35,575, before depreciation, in three months ended March 31, 1946 ($74,282 same period 1945). Bullion production totalled $326,848 from 74,112 tons milled, an average recovery of $4.41 gold per ton ($378,578 from 81,368 tons treated and $4.65 three months ended March 31, 1945).

* * *

DARMAC GOLD MINES has completed plans to start diamond drilling its Kirkland Lake, Ont., property.

* * *

DUQUESNE MINING CO. has extended for 60 days the May 16 installment on 50,000 shares at $1.50.

* * *

LEITCH GOLD MINES reports net profit of $69,801, or 2.4 cents a share in three months ended March 31, 1946 ($48,634, or 1.7 cents a share in same period 1945). Production totalled $226,031 from 6,671 tons milled, average recovery of $33.88 ($163,779 from 4,975 tons and $32.91 three months ended March 31, 1945).

* * *

MANITOBA & EASTERN MINES reports no work done on company's property near Temagami, Ont., in 1945, although some work was done by other interests on nearby claims. Cash on hand and bank balances totalled $14,837 and current liabilities were $1,028 as at March 31, 1946. Investments in other mining companies were valued at cost of $4,800.

* * *

MALLEN RED LAKE GOLD MINES has signed a drilling contract calling for 10,000 ft. of diamond drilling for its No. 1 property adjoining Starratt-Olsen. Paul Young and associates will supervise development.

GLOBE

BULL DOG GUMMING

ENVELOPES

2 oz. Over 11 ft. For Orlac Hole

An intersection of 2.11 oz. over 11 ft. in hole No. 36 below two previous holes which had shown ore grade, is reported to the head office of Orlac Gold Mines by W. P. Mackle, consultant.

A large drill is being moved on the property to follow up the latest result and it is thought that it may be possible to establish a level at a higher horizon below the bottom of the lake, than had been previously thought feasible. The company is ready for shaft sinking as soon as equipment arrives.

ROUYN MERGER GOLD MINES has received payment of $50,000 covering May 15 underwriting installment of 125,000 shares. Issued capital—4,585,007 shares.

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P.S. No prize for correct guess—but remember, Piccadilly is always a prize smoke.

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LONDON
SMOKING MIXTURE
GOOD TO THE BOTTOM OF THE BOWL

Progress Report No.3

To the Shareholders of

GOLDVUE MINES LIMITED

(NO PERSONAL LIABILITY)

Diamond Drilling

To date, 45 diamond drill holes, with a total footage of 24,263 ft., have been completed. The drilling has been largely confined to an area 500' by 400' and to a vertical depth of 450' where 28 holes have been concentrated. Of these, 16 were drilled in an easterly-westerly direction and 12 in a northerly-southerly direction. All holes were so pointed as to cut across the general fracture pattern of the carbonate area so that no fracture plane would be followed in the drill holes.

The important intersections in the area of main consideration are as follows:

Hole No.	Width in Feet	Gold Values	Vertical Depth
5	3.0	$ 7.70	293'
6	11.8	15.40	218'
	5.0	31.50	268'
8	4.5	48.09	362'
12	25.0	10.42	182'
	23.0	14.54	314'
15	9.0	5.25	237'
17	12.0	23.10	186'
	10.0	8.75	252'
42	8.0	12.09	359'
	21.5	3.09	478'

Values on basis of Gold at $35.00 per ounce

Model of Disclosed Geology

A model has been constructed to scale showing all of the drill holes within the said area with the geology and values marked in various colours. A careful study of this model and of the maps and drill logs has shown that the various higher and lower results can, to a certain extent, be lined up both horizontally and vertically with a consistency of value and across good widths. In all cases, the values are associated with the coarse pyrites found in the well silicified carbonates.

Recommendations of Company's Engineers

Following a careful study by the Company's consulting engineer, Julius M. Cohen; L. B. Almond, Resident Engineer, and L. M. Dumulon, Field Superintendent, of the results of the drilling as tabulated above and of other holes drilled in the area, they have unanimously recommended that:

> A 3-compartment shaft be sunk to a depth of 530' with levels at 200', 350' and 500' and that approximately 5,000' of drifting and cross-cutting be done at these levels to develop those areas from which the gold values have been returned.

Recommendations of W. H. Emens

W. H. Emens, who was for some years associated with the development of the Kerr-Addison Mine and considered one of the outstanding authorities on carbonate formations and structure, was engaged to make an independent survey of the Company's records, maps and logs of the drill holes, and constructed the model referred to above. In delivering his report to the writer, he commended the Company's engineering staff for the skill and knowledge which they have applied in the diamond drilling program. In his report to the Company:

> he recommends a 3-compartment shaft to 550' with levels at 200', 350' and at 500'. He also recommends 500' of cross-cuts and drifts at each level and 10,000' of underground diamond drilling, which will include drilling below the 500' level.

The cost of plant, shaft and underground work is estimated at about $250,000.00.

Shaft-sinking to 530 Feet and Underground Work Authorized

Your President has just returned from the Company's property, where he consulted with the Company's engineering staff and reviewed the drill results from the logs, maps and model. The recommendations were discussed in great detail, the Directors having decided to proceed with the sinking of the shaft and underground development as proposed. To this end, tenders are now being sought from contractors experienced in this work. The general site for the shaft and plant has already been decided upon. No great difficulty is anticipated in sinking the shaft, as the same will be started from bedrock. The location of mining plant, ore dumps, tailings dumps, mill, camp accommodations and a town site for the Company's employees have all been taken into consideration. The exact location of the shaft will be spotted after a careful survey is made so as to investigate the ore conditions as indicated in the drilling as ecnomically as possible.

Transportation and Power

A new road, which will shorten by several miles the distance from Amos, Quebec, to the Company's property, is to be built by the Government. The authorities are also giving consideration to an adequate supply of hydro electric power in this district, which should make for economical mining operations.

Latest Diamond Drill Hole

While on the property the core of diamond drill hole 42A, which had then reached a depth of 897', was carefully examined by the Company's consultant, engineering staff and the writer. From footage 650' to 897', 75% of the core was silicified carbonate and quartz stringers heavily mineralized with coarse pyrite. At about 890' in the hole, two showings of visible gold were noted. This would be at a vertical depth of about 750', which is the deepest of any hole drilled in the area and about 200' below the ore intersection in hole 42, which was considered of great importance in reaching the decision for shaft sinking. This hole will be continued to a greater depth.

CONCLUSIONS

It is to be noted that drilling of 17 holes outside of the above-mentioned area has shown that the carbonate zone extends for an additional 700' to the east and 700' to the northwest. Visible gold and some high assay returns have come from these sections. Further exploration of these areas will be carried on concurrently with the shaft sinking. As previously reported, the carbonate zone has a known length of 3,000' by a width of about 500'. The area so far investigated by diamond drilling comprises less than 1% of our Company's holdings of 2550 acres. There are other areas of carbonate rock which will be explored.

Summary

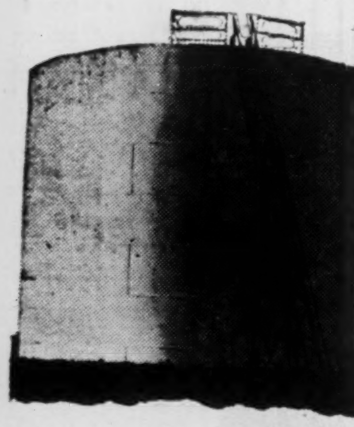
The exploration and development program has been carried out efficiently and economically. Due credit is to be given to our Consulting Engineer, Mr. Julius M. Cohen, and his able assistants, Mr. L. B. Almond and Mr. L. M. Dumulon.

It is gratifying to have the recommendations of our staff concurred in by so eminent an engineer as Mr. W. H. Emens, and his advice in the future development of the property will be sought from time to time.

Dated May 8th, 1946.

Respectfully Submitted,
SAMUEL CIGLEN, President

GOLDVUE MINES LIMITED
Mine Office: Amos, Quebec.
Head Office: 1024 Federal Building, Toronto, Ontario.



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RIVERDALE GOLD MINES announces that Paul Young and associates will supervise development of its Red Lake property. A detailed geological survey and line-cutting job will be performed in order to tie in and correlate the projected line of strike from Starratt-Olsen to the west.

LONDON CALLING – *By Adelphi*

See Market Strong for Five Years Herbert Morrison Veers to Right

LONDON—The American loan, having passed the Senate, is now regarded as a certainty. I was dining at the 1940 Club which consists of Lord Beaverbrook's colleagues in the Ministry of Aircraft Production when a messenger arrived with the news of the Senate vote. Lord Beaverbrook read it to the gathering and indicated that in his opinion the Empire was being sold down the river. I would not repeat this, as it was a private dinner, except that his Lordship subsequently made the comment in his newspapers.

The cheery old stock market moved up in sympathy. Roughly speaking, investors feel that there will be a sellers' market for another five years, two years more than after the previous war, and that nothing much can happen to check the boom. Prices of shares have risen so high that they have little relation to dividend yield; but then, no one wants dividends these days.

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Prime Minister Attlee had a fairly rough time over his announcement that British troops were going to withdraw from Egypt. He indicated that this policy had the backing of the Dominions, but apologized to the House of Commons on the following day for having said this. He stated that he should have said that the Dominions had been kept informed. Fortunately for him Winston Churchill, who had raised a big row on the original announcement, had gone off to receive the freedom of Holland, and Anthony Eden was in charge of the opposition. Eden was in a gentle mood and did not castigate Attlee as he could and, perhaps, as he should, have done.

Churchill continues to be the absentee leader of the Conservative Party which is causing much muttering in the ranks of the faithful. There is no denying that the Tories are suffering badly from the perambulations of their great leader. Eden is showing definite signs of boredom with his task of being an intermittent stop-gap leader, with no power to lay down policy. The Socialists, who are disciplined to an almost ruthless degree, make sport of the Tories and pretend to deplore that they are faced with so ineffectual an opposition.

• • •

Not All Fun For Government

Nevertheless, the Government is not too happy. Two of its junior ministers have resigned and two more have been sacked. Attlee hesitates to start on the Cabinet shop window. He knows that Sir Ben Smith is a failure at the Ministry of Food, and he knows that Jack Lawson is a fizzle at the War Office. But he just doesn't like removing any legs from the ministerial stool.

The reputation of Herbert Morrison rises steadily. He never shows fatigue or allows himself to be confused. I would rate him second only to Churchill as a debater. What is more, he is confounding those prophets who said that he would move more and more to the Left once his party was in power. I have heard on good authority that he is urging Attlee to make an announcement that the Government will carry out no further schemes of nationalization during the life of this Parliament. Morrison is said to regard this as a necessary incentive for private industry to expand, and also believes that it will be a good sword to hold over the head of private industry if it fails to expand. Such a pronouncement would be a clever move, and therefore I think it will happen.

Ernest Bevin came back from Paris for a few hours to consult with Mr. Attlee and then returned to re-engage in the old business of pitting an irresistible force against an immovable mass. M. Molotov is now called "Mr. No-Can-Do" by the younger Foreign Office clerks.

• • •

Mr. Manningham Buller, M.P., who was one of the Anglo-American Commission on Palestine, tells me that on two nights the Commission headquarters in Jerusalem were shot up. In his opinion it was not so much with the intention of killing the members of the Commission, as to create a diversion to cover up a black market landing of Jews from Europe. On the whole he took a gloomy view of the whole thing and was more than a little caustic about the Lido on Lake Galilee.

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Lippmann Perturbing On Power Politics

The Daily Mail publishes an article from Walter Lippmann which is disturbing, not so much for its accuracy, but for the effect it will have on American opinion, since the article was first syndicated in the United States. Mr. Lippmann, who is a man of sincerity and good judgment, charges that Russia is trying to gain political control of Germany so as to turn her westward in case of another war, and that Britain is doing exactly the same thing, so as to revive the alleged Chamberlain policy of turning a revived Germany against Russia. He declares that Britain has coddled the large German army which surrendered to Montgomery.

We cannot dismiss such opinions as a mere twisting of the Lion's tail. Mr. Lippmann obviously believes what he writes, but neither his facts nor his conclusions are justified. Britain treated the German army with the consideration she has always shown to prisoners of war, but disbanded it as swiftly as possible. As for British intentions toward Germany's political development, His Majesty's Government is determined to prevent the Social Democrats in the British zone from fusing with the Communists, since any totalitarian Government in Germany would become militaristic, tyrannical and a menace to peace. It is a grave misreading of the facts to imagine that Britain wants war anywhere, at any time.

• • •

What Price Victory Is View of Many

Stands are being erected in the Mall for the victory celebrations next month. The Government suggested that local councils should organize celebrations on their own account but the response has not been unanimous. Brighton, for example, has decided against it. I have no doubt that by the time the day draws near there will be lots of enthusiasm; but at the moment the British are not sure what there is to shout about. Such an attitude is understandable, even if not commendable.

• • •

The British are a race of gamblers, and the lack of goods in the shops (plus the high rate of income tax) has increased the national tendency. The one shilling shares of the Greyhound Racing Association, which was founded by Brig. A. C. Critchley, formerly of Calgary, now stand at 17 shillings. When EPT expires at the end of this year, the GRA will be able to pay a dividend anywhere from 150 to 200%. There is bound to be an outcry from the Nonconformist churches and a demand for a special betting tax; but Governments usually fight shy of taxing the people's amusements. It is not without irony that poker is prohibited in the London clubs and that it is still illegal for anyone to make a cash wager with a bookmaker off the course. When it comes to gambling, the law is indeed an ass.

• • •

Employment figures are pretty good, but they do not tell the whole story. The whole vast business of salesmanship, promotion and advertising is at a standstill. The young man of ideas has a tough time gaining a foothold. It is particularly hard on the ex-officers who rose to posts of authority in the services. But life goes on, and people still laugh, although they do not always know what they are laughing about.

Ontario Cities Seen Balking On Wartime Housing Tax Deal

From Our Own Correspondent

WINDSOR — Unless Wartime Housing Ltd. has a new offer for Ontario municipalities, the special committee of the Ontario Association of Mayors and Reeves will recommend refusal of the proposal by which, in return for a five-year extension of agreements, municipalities would be empowered to increase rents to obtain larger payments in lieu of taxes on Wartime Housing units built for war workers.

Decision of the committee was made known by Lorne R. Cumming, Windsor, city solicitor, who met last week with A. J. Polson, Hamilton, city solicitor, and Mayor D. P. Cliff, Dundas, as a quorum of the committee.

Mr. Cumming, as chairman, was directed to ask Wartime Housing if it had any alternative proposal. If not, the committee will report against the proposal to their respective municipalities, which are consequently expected to revert to the current agreements scheduled to terminate six months after the formal proclamation terminating hostilities.

In the meantime, Wartime Housing has announced award of the contract for the construction of 100 more semipermanent dwellings for veterans here to Ryan Contracting Co., Windsor. This will bring the total number of houses in Windsor to 2,400.

At the same time, the city has been asked to set aside another 100 building sites for a further project. Local office of Wartime Housing has on file here 2,000 applications from would-be tenants.

Imperial Varnish Plans Expansion

A $175 000 expansion program for the varnish plant of Imperial Varnish & Color Co. has been announced by G. C. McEwen, vice-president and general manager. Facilities are being extended to meet the backlog of deferred industrial and maintenance painting. Nation-wide surveys have indicated that a minimum of one Canadian home in every four needs painting, Mr. McEwen said.

Old machinery in other divisions is being discarded and modern equipment installed, which will do a bigger and better job. In addition to increasing production, the new undertaking will provide faster shipments to dealers, master painters and industrial plants. The largest addition will not be in operation until this fall.

Sales for the first eight months of the fiscal year are up from the corresponding period of last year, the general manager informs The Financial Post. Certain raw materials, however, continue in tight supply. The industry is restricted to 70% of its linseed oil use in the base period 1940-41.

"The next place I live in is going to have..."

Many an over-expanded household has endured the "bathroom problem", but lack of ADEQUATE ELECTRIC WIRING is a more subtle irritation. Having to move the chesterfield to plug in the vacuum cleaner, for instance, just because the only wall outlet is back there . . . with all the lamps and the radio hooked up to it. And then there is the new range or water heater you would like to have if the main wiring would only stand the strain. That is where the real rub comes . . . when you can't use some new electrical convenience until new wiring is installed for it.

Many homes are not wired for modern demands. As more appliances become available, the use of electricity keeps right on climbing, and makeshift wiring adjustments lead to trouble.

That is why it is so necessary for you to insist on adequate wiring for your home, be it old or new. Hydro rates have been reduced until they are now among the lowest in the world. Enjoy full benefit of low-cost electrical servants by having your home adequately wired. A good electrical contractor knows how to wire adequately, and your local Hydro will gladly give you information.

If you are improving or building a home, ask your Hydro for the booklet, "Adequate Wiring for the Postwar Electric Homes of Canada."

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AGAIN PICAO

AVIATION EXPERTS MEET AT The Windsor Montreal

MORE THAN 50 NATIONS AIR ASSEMBLY
May-June

World aeronautical history is being written in metropolitan Montreal, as PICAO (Provisional International Civil Aviation Organization) again meets in counsel on world air navigation at the WINDSOR HOTEL.

Since August, 1945, the WINDSOR of Montreal has been honored as chosen host and headquarters for the first and successive Canadian meetings of PICAO and IATA. During the May-June sessions, more than 50 nations will be represented. More than 500 delegates, including world-famous aviation experts, observers, technicians, and personnel will attend. More than 100 newspaper men, many of international note, will be present.

Canada is honored as host to PICAO, who have invited IATA (International Air Transport Association) to be represented by technical observers.

From May 15th to June 20th, the distinguished delegates from over fifty Nations with their technical staffs and advisors will require the major part of the WINDSOR'S facilities. The preparation of PICAO and IATA accommodations and the necessary reconversion at the close of the Conference compels the limitation of reservations until the end of June and the Management requests the indulgence and co-operation of valued patrons during this period.

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